

BB, HSBC hold workshop on money laundering

A two-day workshop on "Money Laundering and its Prevention in Bangladesh" organised jointly by Bangladesh Bank's Anti-Money Laundering Department and HSBC Bangladesh was held recently in Chittagong, says a press release.

Md. Harun-ur-Rashid Chowdhury, general manager of Anti-Money Laundering Department of Bangladesh Bank, David J H Griffiths, chief executive officer of The Hong Kong and Shanghai Banking Corporation Limited in Bangladesh, spoke at the inauguration of the workshop.

Around 90 participants from the banking sector attended the workshop.

Ahsania Mission opens web site for online book sale

Dhaka Ahsania Mission Book Distributing House (AMBDH), a concern of Dhaka Ahsania Mission, yesterday opened a web site offering online book sale, says a press release.

Domenic Light, Asia manager of British publication house Nelson Thornes, inaugurated the site-www.boibazar.com.

He said Nelson Thornes will establish linkage with this web site very soon.

One can place orders for books through Internet from this web site and get the delivery within 24 hours.

Biotech wheat may cut US exports by 50pc

REUTERS, AMES, Iowa

There is a "high risk" that the US wheat industry will lose 30 per cent to 50 per cent of its business with foreign markets for spring wheat if Monsanto Co releases its controversial genetically modified wheat in the next few years, according to new research by an Iowa State University economics professor.

The research report, released on Tuesday said the near-term impacts on prices and exports is decidedly negative if Monsanto proceeds with its plans to introduce its "Roundup Ready" wheat.

The \$15,000 study was conducted by Iowa State professor of economics Rebert Wisner and financed by the Western Organization of Resource Councils, a coalition of community groups.

Monsanto's biotech wheat, which would be the first genetically modified wheat in the world, has been engineered to withstand herbicide so weed control is easier for farmers. Monsanto is nearing the end of the regulatory approval process and could have the wheat available within the next two years.

Repo auction

UNB, Dhaka

The repurchase agreement (Repo) auction of Bangladesh Bank for commercial banks and financial institutions was held here yesterday.

Five bids of one-day tenor amounting to Tk 159.60 crore were received and accepted.

The rate of interest against the accepted bids ranged from 8.80 percent to 8.75 percent per annum, said a press release of Bangladesh Bank.

Oil prices fall further

AFP, Singapore

Oil prices fell further in Asian trade Wednesday on growing opposition to a US-led war against Iraq, traders said.

The New York light, sweet crude slipped two cents lower to 36.70 dollars a barrel in after hours trading from the last overnight done deal of 36.72 dollars in New York.

Traders said the market was softening as reports emerged that a US-led attack on Iraq would be delayed due to mounting opposition.

Prices were settling down to more realistic levels, albeit at a slower pace given the pending threat of a war, they said.

Crude prices have firmed up over the past three months, giving refiners better margins for the first quarter of this year, said an energy market analyst with a major Singapore brokerage house.

\$10m EC package for WTO negotiation soon

UNB, Dhaka

The European Commission is finalising a US\$ 10 million package to help Bangladesh enhance its trade negotiation capacity ahead of the next WTO ministerial conference in Mexico in September, an EC envoy said here yesterday.

"It's the high time for Bangladesh to gear up because the Cancun conference is very close," said Anne Marchal of the EC Delegation in Dhaka, explaining the importance of the ministerial.

In a discussion with journalists on "EU Policy on Trade and Development" at a local hotel, she said the Mexico ministerial would address the concerns of WTO

members about issues like market access, TRIPS, genetically modified foods and tariffs.

"Bangladesh needs a good background paper on these issues," she said, adding that the trade related technical assistance (TRTA) package is to help address the trade related concerns of the country as well as other LDCs.

The EC's trade capacity package is a part of its total US\$ 30 million project under SEDE.

The EC package would be concentrated on supporting LDC ministerial in Dhaka before the Cancun conference, strengthening WTO cell in the Ministry of Commerce, trade analytical and research capacity, and increasing

awareness of civil society and chambers about WTO issues.

"The pre-Cancun package is only the first stepping stone in the EC TRTA (Trade Related Technical Assistance) towards Bangladesh," she said, "More will be delivered in due time."

Replying a question, the EC envoy said the country might be benefited from SAARC cumulation, but again it needs to be analysed in details.

Referring to her recent visit to a local pharmaceutical industry where she found most of the raw materials coming from neighbouring countries, she indicated that the country has potentials to add more value to exports.

She said the SAARC cumulation is not only meant for textile sector but also for other products. Bangladesh was missing the export potentials in other areas also by not taking the advantage of SAARC Cumulation to diversify export products, the EU envoy felt.

Taking part in the discussion, Economic and Political Affairs Officer of the Delegation Zillul Hye Razi said neither the government nor anyone from the private sector so far made any request to relax the rules of origin requirements.

A marginal relax in the rules of origin could facilitate Bangladesh diversify its exports to some extent, he added.

Parjatan leases Cox's Bazar motel to private firm

UNB, Dhaka

Bangladesh Parjatan Corporation (BPC) has leased its motel "Upal" at Cox's Bazar to a private firm for a 15-year period.

Farm Tour International, which took the lease to run the motel, will pay Tk 32.05 lakh annually as lease premium to the corporation.

An agreement to this effect was signed between BPC and the operating company at the BPC head

office here yesterday.

BPC Chairman Harunur Rashid Bhuiyan and managing partner of Farm Tour Mir Mohammad Shah Sufian signed the contract on behalf of their respective side.

State Minister for Civil Aviation and Tourism Mir Mohammad Nasir Uddin and Secretary of the Ministry M Shafiqul Islam were present.

Addressing the function Mir Nasir called upon the private

entrepreneurs to come forward for the development of tourism sector of the country.

He said private operators would be awarded all non-profitable establishments of BPC in phases to run under lease basis for making them profitable.

"This will create a competition between government and private sectors in the development of tourism sector and make it more dynamic," he said.

Bels gets special award from Bosch

Bels Electronic and Communication System of Bangladesh received a special award from Bosch Security Systems Asia Pacific on Tuesday for its outstanding performance in business development, says a press release.

Philippe H J Huink, vice president of Bosch Security System Asia Pacific, handed over the award to Helal M Alam, chairman of Bels, at a function held at a local hotel.

Later, Bels Electronic and Communication System, agents of Bosch Security Systems Pte Ltd, held a customer seminar 2003 at the hotel to apprise its customers of its latest products and innovations.

Alan Lim, general manager of Bosch Security Systems, Singapore, and Helal M Alam spoke at the seminar.

WB okays \$108m for Afghan transport

AFP, Washington

The World Bank said Tuesday it had approved a loan of 108 million dollars for Afghanistan to rebuild roads, repair the Kabul airport runway and improve air traffic control.

"More than two decades of conflict combined with a prolonged lack of maintenance has resulted in severe damage to long sections of roads and critical structures such as runways, bridges, tunnels, and retaining walls in Afghanistan," the Bank said in a statement.

"Deterioration of air traffic control equipment and a shortage of qualified operators has reduced the safety and availability of flights, Afghanistan's most practical means for long-range domestic as well as international travel," it added.

The emergency project aimed to remove bottlenecks such as collapsed bridges, eroded road sections, disintegrated pavements, damaged tunnels, and unsafe air traffic.

"Solving Afghanistan's transport problems is absolutely essential to both short-term recovery and long-term development, two areas on which the government has rightly asked international donors to focus equally," said Terje Wolden, a World Bank senior transport specialist.

Removing the bottlenecks will help the country promote regional economic integration and facilitate trade, improve delivery of humanitarian aid, and assist reconstruction efforts in all sectors.

The road work would focus on overhauling the Kabul to Pol-e-Khormi-Kunduz highway, including the Salang tunnel.

Sri Lanka ups air fares amid Gulf war fears

AFP, Colombo

Sri Lanka's national carrier, Sri Lankan, Wednesday raised its air fares by 20 dollars to recover additional fuel costs triggered by fears of war in the Gulf.

An airline official said a flat 20-dollar "fuel surcharge" will apply indefinitely to all return tickets irrespective of the destination. One-way tickets will be charged a 10-dollar surcharge.

"This is to recover the additional cost the airline has to bear as a result in the sharp rise in fuel prices due to uncertainties in the Middle East," an official said.

New BGMEA office bearers take over

Oikya Jote observes no charge handover

STAR BUSINESS REPORT

The newly elected office bearers of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) assumed office yesterday.

However, Oikya Jote panel, which had boycotted the polls at the last moment on January 28, in a press statement said the BGMEA failed to hand over power to its new office bearers following a court injunction.

Asked, the newly elected BGMEA President Kazi Moniruzzaman told The Daily Star they had been elected during a meeting on March 4, 2003 and assumed office under the Trade Ordinance.

"The office bearers had been elected long ago and there is no scope to elect new leadership in the AGM," he said.

Moniruzzaman said the BGMEA annual general meeting was held yesterday where the books of accounts of last year and budgets for the next year were approved.

It alleged the BGMEA office was intentionally kept under lock and key in order to avoid receiving the court order.

"Failing to find anyone in the BGMEA secretariat, the court messenger handed the order on the notice board," the Oikya Jote said in a press statement signed by its Chief Election Coordinator SU Haider.



PHOTO: BELS

Helal M Alam, chairman of Bels Electronic and Communication System, receives a special award from Philippe H J Huink, vice-president of Bosch Security Systems Asia Pacific, at a function held at a local hotel on Tuesday.

Hill Tracts trade fair begins

OUR CORRESPONDENT, Rangamati

A fifteen-day Hill Tracts Trade Fair (HTTF) 2003 began at the district's newly constructed stadium on Tuesday.

Commerce Minister Amir Khosru Mahmud Chowdhury inaugurated the trade fair.

Addressing the inaugural ceremony, Khosru put emphasis on developing the Chittagong Hill Tracts area as tourism destination to speed up development in the otherwise neglected area.

He urged investors from home and abroad to increase volume of investment taking advantage of the proximity of the Chittagong seaport.

Mentioning abundant natural resources of the area, he called upon the entrepreneurs to concentrate on industries whose raw materials are available in the area.

This hilly area holds huge prospects for investment especially in small and cottage industries, he said.

"The fair is an opportunity for the small and cottage industry entrepreneurs to display their products to the foreign buyers," he

said.

The minister said the country must utilise its scattered resources and human expertise to become self-reliant.

Some 86 companies and business firms are taking part in the fair.

The products on display include tea, handloom clothes, foam, food items, beverage, handicrafts, wooden furniture and so on.

The fair will remain open for all from 9am to 9pm everyday till March 26.

State Minister for Commerce Barkatullah Bulu, Deputy Minister for CHT Affairs Moni Swapan Dewan and Deputy Commissioner and Convenor of HTTF-2003 Organising Committee Jafar Ahmed Khan also spoke.

Others who attended the ceremony were Commerce Secretary Sohail Ahmed Chowdhury, Hill District Council Chairmen of Rangamati, Khagrachhari and Bandarban Dr Manik Lal Dewan, Nakshatratra Lal Dev Burman and MaMa Ching Marma, leaders of chamber of commerce of three CHT districts, local businessmen and political leaders.

World economy to grow 3pc this year

IMF chief says

AFP, Washington

The world economy is set to grow more than 3.0 per cent this year barring a long war in Iraq, International Monetary Fund chief Horst Koehler said Tuesday.

"Consumers and investors remain cautious and the recovery in the world economy is weaker than earlier anticipated," he said in a speech in Madrid, a copy of which was distributed here.

"But barring a protracted war in the Middle East, which is unlikely, I expect the tentative recovery to continue," Koehler told the Bank of Spain.

The economic policies of the larger advanced economies were broadly supportive of growth, and there was still scope for cutting interest rates if needed, the IMF boss said.

"For 2003, I expect global economic growth to slightly exceed last year's level of three per cent."

Economists widely view world economic growth of 2.5 per cent as

the borderline between expansion and recession.

"Although we know that full confidence is unlikely to return until the geopolitical tensions have subsided, we must avoid undue pessimism," Koehler warned.

"Despite the series of large shocks in recent years, the global economy and the international financial system have proven remarkably resilient," he added.

"And more fundamentally, we are in the midst of a technological revolution, in particular, in information technology, in nanotechnology, biotechnology and in medical sciences, which has the potential to sustain global growth for many years to come," he said.

"I expect markets to bounce back."

IMF official forecasts are to be released April 9 in the twice-yearly World Economic Outlook, ahead of spring meetings here April 12-13 of the IMF and World Bank.

Selim made ACC board member



Nizam M Selim, president of the Shrimp Hatchery Association of Bangladesh (SHAB), was elected member of the oversight board of the Aquaculture Certification Council (ACC) yesterday, says a press release.

ACC is the organisation that formulates codes of conduct for shrimp industries, gives certification and acts as international watchdog to maintain quality of shrimp products.

Elected at the Boston Seafood Show, USA, Selim is the first Bangladeshi to be elected of the 14-member board.

Md Mamunur Rahman of ATDP-II's Seal of Quality Programme said Selim's election is timely as Bangladesh's shrimp industry has to comply with the forthcoming certification codes. A compliance of codes will help Bangladesh increase its shrimp export, he added.

Japan submits farm proposals to WTO

AFP, Tokyo

Japan submitted proposals for World Trade Organisation agriculture reforms Wednesday, ahead of a deadline at the end of this month for breaking a deadlock.

Slamming a previous draft as "especially beneficial to exporting countries," Farm Minister Tadamori Oshima outlined Japan's position in a letter to the chairman of the WTO's agriculture negotiations Stuart Harbinson, who is Hong Kong's ambassador to the Geneva-based trade body.

"The second proposal should appropriately reflect non-trade concerns, secure flexibility, continuity and balance and reflect our country's proposal," Oshima said in a statement.

"In order to move negotiations forward, the voices of importing countries who have put forward realistic and concrete proposals need to be heard," he said.

Harbinson's initial draft, which was widely rejected at a WTO meeting of 25 ministers in Tokyo last month, calls for "harmonization" of tariffs, with greater reductions in high tariff goods.

Japan said it wants exceptions to allow high tariffs for certain products such as rice, while lowering others by a greater amount.

"The concept of harmonization was fundamental to the first proposal, but this is something we cannot accept," ministry official Junya Endo said.

Japan imposes import tariffs ranging from 400 per cent to 500 per cent on foreign rice to protect uncompetitive small-scale domestic farmers. Under Harbinson's first proposal, the duties would drop to around 270 per cent.

Egypt freezes imports for three months

AFP, Cairo

Egypt's government has decided to freeze state imports for three months except for basic food items due to the weak local currency and a shortage in hard currency, official newspapers reported Tuesday.

The Egyptian pound has lost about 20 per cent of its value against the US dollar and the euro since it was allowed to float freely on January 29.

Other measures taken by the government will include fixing the price of 15 basic food products and reimbursing producers for any loss, said the daily Al-Akhbar quoting Prime Minister Ataf Obeid in a speech to parliament.

The list of these products, yet to be published, was expected to include items such as sugar, oil, rice and flour, according to a parliamentary official.

The prime minister did not specify how long the price fixing measure would stay in effect, while the list of government imports to be frozen was to be made public later Tuesday, said the official.

Obeid said that "food and products of a strategic nature" will be exempt from the ban.

The government's social aid programs are a legacy of the 1952 revolution and they include issuing provision cards to low-income citizens allowing them to buy basic products at low prices.



PHOTO: HSBC

David J H Griffiths, chief executive officer of The Hong Kong and Shanghai Banking Corporation Limited (HSBC) in Bangladesh, addresses a two-day workshop on money laundering in Chittagong recently. Md Harun-ur-Rashid Chowdhury, general manager of Anti Money Laundering Department of Bangladesh Bank, was also present.

Increased tea output needed to avert export setback

UNB, Moulvibazar

Export-oriented tea industry may face a serious setback unless urgent measures are taken to give a boost to tea production by setting up new gardens.

Industry sources said Bangladesh's average tea output was 51 million kg till 1997 and the production volume has not marked any significant rise since then.

"This tea-exporting country will have to go for import from 2015 onwards if new gardens cannot be set up to give a boost to tea production," said an official at Tea Board on condition of anonymity.

The country produced 52 million kg of tea in 2002 and earned 16.33 million US dollars from export

ing nine million kg although it earned 35 million US dollars in 1997-98 fiscal.

Tea garden owners blamed the downtrend of tea export on its production shortfall caused by inclement weather that prompted the foreign buyers to import quality tea from Kenya and Sri Lanka at cheaper rates.

But officials said there is another reason behind the production shortfall: reluctance of the garden owners in expanding and maintaining tea gardens.

They said there are some tea estate owners who have set up rubber gardens alongside their tea gardens, hampering tea farming.

Besides, low-paid tea garden workers have started switching over to other professions in hopes

of better wage.

Commerce Minister Amir Khosru Mahmud Chowdhury recently urged the tea garden owners to create new gardens on fallow lands in the greater interest of the tea industry.

Tea is presently produced on 50,000 hectares of land in Sylhet and Chittagong districts.

Meanwhile, the government has taken a plan to create more gardens in the Chittagong Hill Tracts and Panchagarh by 2010.

According to Tea Board Chairman Brig General AHM Towhid, some 130 million kg of tea could be produced by creating tea gardens on 46,875 hectares of land along the country's border areas.



PHOTO: JANATA BANK

Secretary in charge of Labour and Manpower M Nurun Nabi inaugurates one-stop service at Abdul Gani Road Branch of Janata Bank in Dhaka yesterday. Deputy Managing Director of the bank M Ziaul Haq and chairman of DESA AA Abdur Rab, among others, were also present.