

Expanding customer base key to RMG survival

US envoy advocates participation in MAGIC show

STAR BUSINESS REPORT

Expanding customer base and understanding changes in the apparel sector are crucial for survival of the ready made garment industry in Bangladesh since quotas will be eliminated for textile products in 2005, the US ambassador in Dhaka observed on Thursday.

"The US embassy follows developments in the textile and ready made garment sector closely because of its importance to the Bangladesh economy," MaryAnn Peters said.

She was addressing a seminar titled

The MAGIC Marketplace: The most effective tool to boost the export of garments, textile and accessories from Bangladesh' held at a city hotel. Global Trade Connection (GTC) organised the seminar.

MAGIC (Men's Apparel Guild in California), a trade show organiser for the apparel industry, in Las Vegas, USA, appointed GTC Dhk Ltd its representative in Bangladesh to help local exhibitors take part in the August show.

"She said August would be the ideal time for the next apparel show organ-

ised by MAGIC. Attending these shows is the best way to establish close ties with buyers.

Advocating participation in the MAGIC show, she said, "These shows bring you into direct contact with the foremost apparel markets and clothing buyers in the world."

The US ambassador hoped the disruptions in global trade caused by the war in Iraq would fade away by summer.

"The current turbulence in the global economy should not last long," said Peters.

However, she said economic slowdown over the world would be a matter of concern for Bangladesh.

Commerce Secretary Suhel Ahmed, BGMEA President Quazi Moniruzzaman, Voyager Group Managing Director Shahadat Hossain, GTC Managing Director Munibur Rahman, Director Tanzina A Rahman and Senior Sales Executive Sadik R Khan also spoke at the seminar.

More than 85,000 buyers, 3,500 exhibitors and 5,000 brands usually participate in the MAGIC show.

Ctg tea season ends on positive note

NURUL ALAM, Chittagong

Tea auctions of the season ended here with an upbeat mood as both price and demand were very high.

Quality teas fetched better price even in the auction number 46, the last weekly auction of the season, held in the port city recently where Pakistani and Afghan took part along with domestic ones, brokers and traders said.

Pakistan reached an agreement to buy ten million kg of tea from Bangladesh this fiscal year and announced zero tariff access for it in October last year.

Next tea auction season is expected to start from the first week of May this year, brokers said.

"We hope that we can have similar

increased amount of teas taking advantage of zero tariff access of Bangladesh to their markets, Chowdhury, who is also the general manager of British-owned tea producing company James Finlay Ltd, said.

He also attributed the better market to the seasonal cold spell and local Union Parishad election campaign that substantially increased domestic consumption," he said.

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market in the next season if the gardens overcome draught spell with more showers," Chowdhury said.

Rasul Mizam, managing director of National Brokers Ltd, said, "It was an excellent season for tea. We are optimistic that the next season also may be the same."

"All good teas were dearer in that season. In the middle of the season, price of tea even shot up to Tk 140 per kg, which was unusual and surprising," he said.

In the year 2002, tea production fell to 52 million kg from 57 million kgs recorded in the year 2001, official reports said. About 40 million kgs of tea are consumed in the domestic market while the rest are exported, the reports added.

Doha will eventually have four flights daily, Muscat flights will increase to twice daily, Tehran will get an extra four flights weekly, Sanaa an extra two weekly and Dammam and Kuwait get one extra weekly flight each.

Emirates' Commercial Operations Director Ghaiat Al Ghaith said: "We are boosting our Middle East routes as part of the expansion taking place this summer across the whole network."

Thai Airways takes up steps to prevent SARS outbreak

Thai Airways International Public Company Limited has taken up some preventive measures to guard against the spread of Severe Acute Respiratory Syndrome (SARS), says a press release.

The Thailand national flag carrier is closely monitoring the outbreak situation of the deadly virus at airports, in in-flight and customer service and at its ground and in-flight personnel, Kanok Abhiradee, president of Thai Airways International, said.

The airline has also made flight adjustments to South Korea, Taiwan, Hong Kong, and Greece and decreased on flights between 27 March and 13 April 2003, with arrangement of flight transfers for passengers on other flights operated by the airline.

According to officials, all staff must wear surgical mask and latex gloves every time that work is conducted on the aircraft upon flight arrival from an affected country as determined by the World Health Organisation (WHO).

Disinfecting spray must be used on all flights returning from countries considered affected areas.

Cabin crew must separate the passenger suspected to have SARS symptoms from other passengers and provide surgical masks for such passengers to wear.

Emirates boosts ME services

Emirates, Dubai-based international airline, is boosting its services in the Gulf and Middle East region with a programme of extra flights to be introduced between now and July, says a press release.

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PHOTO: AL BARAKA BANK BANGLADESH
CM Koyes Sami (C), chairperson of SWIFT User Group Bangladesh and managing director of Al Baraka Bank Bangladesh Ltd, speaks at a joint meeting between SWIFT User Group and SWIFT User Group Technical Committee held in Dhaka recently.

Two int'l standard frozen food labs in 5 months

UNB, Dhaka

also bears the cost of tests abroad whenever required.

"Yet we welcome laboratories in the government sector considering long-term benefit and sustainability of the market," Haq said.

The

government will set up the laboratories in Khulna and Chittagong at a cost of Tk 2 crore each to ensure high quality of frozen foods, mainly shrimp.

Tender will be floated soon for the work. Later, another such laboratory will be set up in Dhaka.

Bangladesh Frozen Foods Exporters Association (BFFEA) President Quazi Monirul Haq hailed the decision of the government and said, "This will relieve us of huge cost of testing in Singapore."

Although there is no complaint about the quality of Bangladeshi shrimps at present, exporters have to take samples to Singapore when overseas buyers want.

Haq is, however, opposed to setting up such laboratories in private sector, as proposed earlier by a foreign consultant.

"We ourselves are not less serious about quality. We know the standards of EU and the USA and monitor the quality at all levels of production chain - from the fields up to package," Haq said, claiming that there has not been any complaint from any market in recent times.

"Our products, although small in quantity because of low yield of shrimps, are organic," he said.

The BFFEA has formed committees inducing fish hygienic experts under constant supervision from the embassies and missions of buyer countries. It

certification to gain consumers' confidence although there is no complaint about product quality.

Getting the products verified by a third party would help build that reputation, as the consumers and buyers would believe more the third-party certification than the claim of the producers, he argued.

Referring to his visit to different hatcheries and processing plants during weeklong stay in the country, the shrimp industry expert said the industry here has tremendous potential to grow, and the way they produce shrimp is not a threat to environment.

Bill will be back here in June to assess the Seal of Quality (SOQ) programme in Bangladesh as the stakeholders of the industry-chain agreed to provide the necessary facilities.

Major (retd) Manzoor Ahmed, representative from shrimp processors and a local promoter of SOQ, said the industry would have to accept the compliance to avoid any unilateral ban from European Union and continue its exports.

At present, the local shrimp processors have to pay ten times higher for having their products tested in Singapore laboratories, compared to the estimated testing costs in the laboratories here under plan. Few buyers have already asked for SOQ for which the producers have to go to laboratories in Singapore, he informed.

As per the proposal, industry stakeholders have to bear the cost of setting up and operating two laboratories, to be manned by quality experts and technicians from abroad.

New CEO of IDLC

Anis A. Khan took over as chief executive officer and managing director of Industrial Development Leasing Company of Bangladesh Limited (IDLC) on Thursday, says a press release.

He joined the company from Dubai, UAE, where he was head of Legal & Compliance, Gulf, covering the UAE, Bahrain, Qatar and Oman for Standard Chartered Bank.

Anis has over 20 years of experience in corporate banking, consumer banking, operations, finance and foreign trade.



ABU SAEED KHAN

Made in China: Recycled corruption in telecom deal

Final investigation report of the graft case alleged embezzlement of US\$ 26.37 million in CMEC contract. While BAC was processing the charge sheet, a covert operation was underway to jeopardise this graft case.

The BTTB initiated a US\$ 9.50 million repeat order for CMEC. It is basically rewarding the project already being investigated by the BAC, which directly reports to the prime

minister. Because BTTB has only US\$ 8.96 million unused supplier's credit limit. Therefore, the government would be compelled to obtain additional supplier's credit of US\$ 0.54 million from the CMEC to materialise this agreement with CMEC in June 1999.

Accordingly on January 2002, the government published two volumes of the said white paper. Altogether 40 case studies of alleged malpractice, irregularities and corruption involving the embezzlement of public funds, by the immediate past government, are compiled in this publication.

Very first case study of the first volume of this white paper is about a telecom deal with state-owned China National Machinery Equipment Import and Export Corporation (CMEC). The government signed a US\$ 211.85 million supplier's credit agreement with CMEC in June 1999.

Bangladesh Telegraph and Telephone Board (BTTB) signed a US\$ 202.89 million supplier's credit contract with CMEC to roll out 216,000 telephones in 58 district headquarters. But there was no competitive bidding while negotiating this single largest telecom project.

The white paper alleged siphoning of US\$ 17.28 million from this deal. In March 2002, the Bureau of Anticorruption (BAC) filed a graft case against the then finance and telecom ministers, the then telecom secretary and the incumbent chairman of BTTB along with his colleagues.

PASSWORD

The white paper on corruption was intended to be the reconnaissance tool of cracking down the culprits. But that publication has now become the cookbook of corruption. Case studies of robbing the exchequer's multi-million dollars might have caused our government's amnesia.

minister. Because BTTB has only US\$ 8.96 million unused supplier's credit limit. Therefore, the government would be compelled to obtain additional supplier's credit of US\$ 0.54 million from the CMEC to materialise this agreement with CMEC in June 1999.

The ECNEC approved this purchase plan in May 2002. The planning commission, however, advised the telecom ministry to suspend this repeat order until the graft is settled. But the then telecom secretary promptly obtained vetting from the law ministry to proceed with CMEC.

He also misled the planning commission with falsified information about CMEC's work progress.

However, the BTTB started finalising its shopping list with the Chinese vendor. But a strong opinion against CMEC also started brewing up within the rank and file of the BTTB.

Its tender committee, composed of four senior high officials, unanimously rejected this deal with CMEC. Even the BTTB's member (finance) objected this deal.

But the incumbent chairman and the member (planning) of BTTB were highly enthusiastic about the scandal.

The Daily Star runs a business solution column which appears on Saturdays. While running your business, you come across problems and wish someone would help. This column will provide you with insights to solve your problems. Write to us or to Sarwar Ahmed, MBA (sarwar@asia.com) who hosts this column.

Should I? An office colleague comes to me with an envelope in her hand, "I want to talk to you." Years of experience (distilled into some kind of wisdom, I hope!) brought forth the realisation that she's got an offer, and was in the Hamlet mode, "To be or not to be, that is the question."

Yes, she's got an offer, double that of what we are paying her. She has been on the look out for a job outside our organisation after having had a squabble with a high up. Unsure of her future, she applied for a job elsewhere and of course, got an irresistible offer. "Should I leave, yes or no?" She wanted to discuss the offer with me. Tough, isn't it?

Perhaps for some it's not a tough decision. If the priority in life is to earn as much as possible, as early as possible, then of course the decision to move on may be acceptable even if the new place you are shifting to may have an oppressive environment. You are not getting paid for the environment, it's the money you fool!

But hold on. If you think your priority in life is to make reasonable money and not to have gastric ulcers, blood pressure and perhaps diabetes thrown in, by the time you hopefully celebrate your fortieth birthday, then you do need to do some soul searching before you switch.

First and foremost, check if the company really pays what it says it will pay. Strangely I am hearing this more often than not that a company entices away a talent from an organisation, promising anything from the earth to the next planet and when pay day comes, the envelope doesn't even seem to reach the ends of the blue sky. Check with existing employees on pay practices. And do you have an appointment letter stating the benefits you are entitled to? At least that is a contractual obligation from the company you can hope they will fulfil.

The next important thing is if the company does really pay by the first week of the month. It is indeed sad to hear that some companies (big names!) have not even paid employees for months. If you need to worry about meeting your ends meet, haranguing with your landlord who wants the monthly rent cheque, think twice before you want to make the leap. At least check with the offering company on this too.

Does environment (I don't only mean the quality of air) matter? If you want to stay healthy and in peace, it does. Provided of course your current working environment and culture does allow you to stay that way. Sometimes it may so happen that the new company's environment and culture is better than that of the existing one. Switch even for the same salary. Not only you get a peace of mind, you also get fresh experience in a new setting.

Another myth about careers is the career ladder. There are so many uncertainties about the future that you cannot predict if the career path you have chosen will eventually lead you to your destination. Be realistic of your expectations. If everyone has the ambition to head an organisation, we will need millions of organisations! And if you work for privately owned companies, the chances of making it anywhere near the top is nearly chanceless. The owners usually have their blood in these positions and groom up their sons and daughters in business schools to eventually succeed them.

Do a simple pros and cons of leaving if you are caught in such a situation. Get advice from your peers and associates. But ultimately the decision is yours. Our colleague mulled over and at the end of the day, decided to stay. Good for her, good for us.