

Intensify ties with ASEAN to boost economy

Vietnamese FM urges Bangladesh

STAR BUSINESS REPORT

Vietnamese Foreign Minister Nguyen Di Nien has urged Bangladesh to intensify its economic activities with the Association of South East Asian Nations (ASEAN) to reap benefits from global linkage and the free trade area established by the bloc.

"Bangladesh can use ASEAN as a ladder to integrate itself with global economy," he said addressing a meeting with the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) in Dhaka yesterday.

The 10-member economic bloc is now undertaking trade liberalisation under the ASEAN Free Trade Area (AFTA).

"Bangladesh can take advantage of the liberalisation which opens market to the world easing export-import and investment restrictions," said the minister, who arrived here on Wednesday to inaugurate Vietnamese Embassy in Dhaka.

The Vietnamese minister said as the European Union, US and Japan are planning to build close economic ties with ASEAN by forging free trade agreements, the bloc is likely to emerge as a key economic group in the world.

The ASEAN region has a population of about 500 million with a combined gross domestic product of US\$737 billion. The total trade of the bloc is US\$ 720 billion which shows economic importance of the grouping, the minister said.

Nien said Hanoi can help Bangladesh to enhance economic relations with the ASEAN.

He invited Bangladesh's participation in the planned highway connecting the ASEAN member countries. "Bangladesh can participate in it through developing road linkage with

Myanmar, a member of the regional association."

The highway is to connect China which can benefit Bangladesh to export products to China by road, he said.

The minister assured all out cooperation from the part of Vietnam Airlines to initiate direct air link with Bangladesh. He urged Bangladesh government to introduce flight of Biman Bangladesh Airlines which would take three hours to fly Hanoi from Dhaka.

"The direct air flights would help enhance trade and investment between the two countries," he hoped.

On investment, Nien said the business enterprises of the two countries can form joint ventures in automobile sector, specially motorcycle industry, agriculture, printing and dyeing, marine products, pharmaceuticals, leather, shrimp, transport and textile sectors.

As Vietnam produces two million motorcycles a year and it has developed expertise in motorcycle production, the visiting minister said there are immense prospects of setting up joint venture motorcycle plant in Bangladesh.

He said Vietnam being the world's second largest rice producer needs jute sacks to export rice. So there is huge prospect of Bangladeshi jute exports to Vietnam. If price is reasonable Vietnam is willing to import raw leather also from Bangladesh, he added.

Nien proposed that Vietnam and Bangladesh could join hands to increase their export earnings from shrimp sector through mutual cooperation.

The Vietnamese minister invited Bangladeshi businessmen to Vietnam and

urged them to hold trade fairs in Hanoi and Ho Chi Minh City to promote their products.

Addressing the meeting Executive Chairman of Board of Investment Mahmudul Rahman said there should be mutual cooperation, not competition, among the Asian countries to improve their economic condition.

He said Bangladesh is expected to achieve an industrial growth rate of 8 per cent this year which should be encouraging for Vietnamese entrepreneurs to invest in Bangladesh.

Inviting Vietnamese investment, FBCCI President Yussuf Abdullah Harun said the investors can take advantages of the duty and quota free access facilities of Bangladesh to the markets of EU, Canada, Australia and to some extent to the US.

"Bangladesh is the gateway between ASEAN and South Asian countries which should be fully exploited," he said.

Harun mentioned that a Bangladeshi company has planned to invest \$10 million in Vietnam in a joint venture for manufacturing CI sheets.

The chief of the apex trade body said FBCCI is keeping close contact with Vietnam Chamber of Commerce and Industry and an FBCCI business delegation would visit Vietnam in November this year to explore trade potentials there.

In 2001-02, Bangladesh exported products worth \$11.02 million to Vietnam and imported goods amounting to \$2.86 million.

Other members of Vietnamese foreign ministry delegation, FBCCI Vice-president Mohammad Ali, its directors and leading businessmen were present at the meeting held at the federation boardroom.

Khosru invites Thai investors to tap Dhaka's duty-free facilities

BSS, Chittagong

Commerce Minister Amir Khosru Mahmud Chowdhury has urged the Thai entrepreneurs to invest in Bangladesh, using the attractive policy support here for trade and investment.

"The existing facilities as well as the free market access of Bangladeshi goods will enable them to get their stake in the developed countries like EU, Canada, Australia, Norway and USA," he said adding that the markets of Bangladeshi goods would further expand in future.

"Bangladesh can be the best production ground for the Thai entrepreneurs," he said.

The minister was exchanging views with the visiting high-powered Thai delegation and local business leaders here Wednesday night. Chittagong Chamber of Commerce and Industry (CCCC) organised the one-to-one meeting between the business leaders of both the countries at Chittagong Club auditorium.

Their discussion mainly

focussed upon finding ways and means to extract trade and investment potentials in Bangladesh and Thailand. Thai delegation leader and Governor of Chiang Mai Suwat Tantipat, President of Chamber of Commerce Region-9 in Thailand Rachan Veraphan, CCCI President Amir Humayun Mahmud Chowdhury and Senior Vice-President Ershadullah, among others, addressed the function.

The 65-member Thai delegation representing different trade sectors in the Thai Northern province Chiang Mai arrived here Wednesday on a five-day visit here to explore the trade and investment prospects in Bangladesh.

Referring to the government's 'Look East' diplomacy being pursued by Prime Minister Khaleda Zia to foster a broader regional cooperation, the Commerce Minister said both Bangladesh and Thailand could benefit tremendously by sharing ideas, technologies and bilateral cooperation.

The Thai delegation leader Suwat Tantipat said Chiang Mai and Chittagong as second cities of

both the countries have geographic similarity with excellent business prospects.

"The Thai business people are eager to establish a long term trade relationship with Chittagong to benefit from the potential trade sectors here. We see brighter days ahead in the economic relations between our two people," he said.

CCCC president Amir Humayun Mahmud Chowdhury urged the Thai entrepreneurs to invest in different prospective sectors in Bangladesh. "Tourism, seafood, seed production, pisciculture, horticulture, textile, light engineering and livestock are the areas, where both the countries can benefit immensely," he said.

Thai team keen to invest in tourism sector

The visiting Thai business delegation mostly representing tour and travel industry also showed keen interest to invest in Bangladesh's tourism sector.

State Minister for Civil Aviation and Tourism Mir Mohammad Nasiruddin and high officials of the

Bangladesh Parjatan Corporation (BPC) exchanged views with the 65-member Thai delegation from the northern tourist resort of Chiang Mai.

That delegation leader Suwat Tantipat, BPC chairman Harun Ur-Rashid Bhuiyan and President of Chittagong Chamber of Commerce and Industry (CCCC) Amir Humayun Mahmud Chowdhury, among others, expressed their views to work closely to promote the tourism industries in both the countries under a border cooperation.

He said the government as part of its tourism development programmes had opened the door for both local and foreign investments with very flexible conditions in favour of the investors.

"The government has recently handed over the authority of Foy's Lake to the Ministry of Civil Aviation and Tourism to make it the most attractive tourist spot in Bangladesh," he said.

Members of the Thai delegation on Wednesday visited Foy's Lake and Patenga sea beach.

Going organic gets trendy

SHAHNILA AZHER

In Dhaka, organic food has now become easier to find than even two years ago. Its popularity has been increasing day by day signifying tremendous prospect.

Shashya Prabartana, Proshika and Meena Bazaar are currently offering such products. Having started at different times and with varying goals in mind, these outlets have starkly contrasting business approaches.

Organic foods are produced without the use of chemical fertilizers and pesticides, genetic engineering, growth hormones, irradiation and antibiotics. A variety of agricultural produce, including grains, meat, dairy and eggs can be produced organically.

The movement, that gained a huge momentum worldwide in the 1990s, preserves both human health and environment by encouraging farmers to use environmentally non-intrusive methods.

Shashya Prabartana began production in 1988 on a small scale with sales initially taking place at village levels. The products were made available at its Mohammadpur outlet in Dhaka in 2000.

The outlet is part of an NGO, UBINIG, which runs and manages centres in Tangail, Cox's Bazaar, Pabna, Kushtia, and Noakhali based on a methodology they call "Nayakrishi Andolon".

The Andolon essentially emphasizes ecological agriculture, food production without the use of chemicals and pesticides, its director Shahid H. Shamim said.

The unique marketing programmes undertaken by Prabartana include a "Bhaat Mela" exhibiting 1,027 types of rice and "Daal Mela" displaying over 200 types of pulses.

Prabartana customers are regular, people buy from this place on a routine basis attracted by the indigenous varieties of staples available.

Proshika has been focusing specifically on organic food production since last three years. Through the Proshika centres, contract farmers in ten upazilas have been trained to grow a variety of vegetable products using natural means.

According to Nirmal Chandra Bepari, coordinator of organic



Customers buy organic rice and pulses at a shop in Dhaka. The products, produced without the use of chemical fertilisers and pesticides, are gaining popularity in Bangladesh.

consultant Kazi Jamil Islam.

All three sellers witnessed rapid increase in demand though none was willing to cite specific figures. However, there is definitely room for more players to come in this segment to meet the requirements of the expanding market.

Around, organic foods are always priced at a premium, costing 20 per cent more on an average than non-organic products, because of higher production costs. But the scenario here is different with pricing generally being par or nominally higher.

Explanation is the same for all outlets: vegetables go through 1012 intermediaries before reaching the consumer and the middlemen enjoy a major share of profits.

Organic food exports, globally, is a big business. Seventy per cent of the 600 million pound sterling organic food market in the U.K. is imported.

According to the current pro-

ducers, export potential of Bangladeshi organics seems like a realistic ambition. Meena Bazaar has already received export orders for its tea and the others have also exports incorporated in their long-run plan.

With health consciousness on the rise, marketing of organic products is likely to grow in tandem. Studies show that organics are not essentially healthier than those grown under non-organic conditions the nutritional content is identical. But the absence of synthetic residues on organically grown produce definitely makes for a safer product.

Moreover in Bangladesh, with pressure groups like Bangladesh Poribesh Andolon (BAPA) lobbying for public awareness and appropriate regulation against indiscriminate and hazardous chemical use, organic food products will surely gain higher acceptance by middle-class households in the immediate term.

SGS opens new textiles testing laboratory

SGS Bangladesh Limited has announced the opening of a new textiles testing laboratory and offices in Dhaka.

The laboratory and offices are located in a new building at Sonargaon Road, says a press release.

The laboratory is equipped with the most modern textiles testing equipment supported by extensive IT facilities which will benefit the RMG and knitwear sectors of Bangladesh.

The SGS laboratory has been assessed and accredited in accordance with the standard ISO/IEC 17025:1999 by NABL (National Accreditation Board for Testing and Calibration Laboratories, Department of Science & Technology, India) in the field of chemical and mechanical testing for textile and garments.

CSL markets six printers

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Computer Source Ltd Chairman Md Maniruzzaman, Managing Director AHM Mahfuzul Arif, Country Manager, ASEAN/South Asia of Lexmark International Pte Ltd Tiang-Hin ANG, and Product Marketing Manager, Consumer Printer Division, Lexmark International Pte Ltd with one year warranty.

The CSL is also marketing two all in one (AIO) printers, which may be used as photocopier, printer, fax and scanner.

Bangladesh Computer Samity (BCS) President Sabur Khan, Internet Service Providers Association of Bangladesh (ISPAB) President Akeruzzaman Manzu, and BCS Computer City President Ahmed Jewel Hasan were present at the launching ceremony.

Computer Source Ltd Chairman Md Maniruzzaman, Managing Director AHM Mahfuzul Arif said his company is already marketing various world class computer accessories of companies like Intel, Maxtor, Seagate, Hynix, Philips, HP, Kingston, Fujitsu and ProLink.

Arif also declared that from now the company will also provide services in all the fourteen CSL master resellers located around the country.

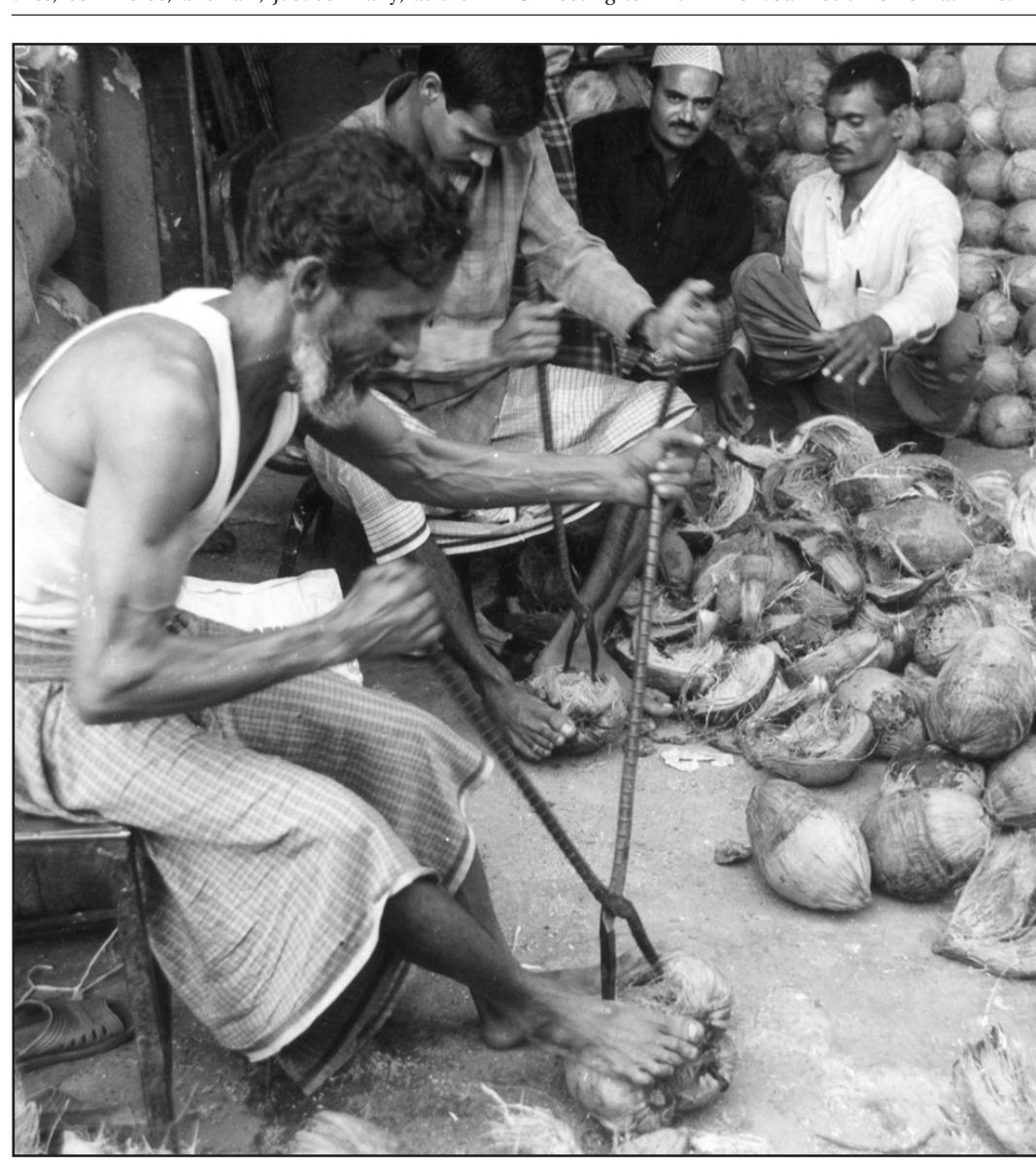
He said total turn over of the company was Tk 110 crore in 2002.

According to Tiang-Hin ANG of Lexmark International, e-mail has increased the amount of printing by 40 percent.

ANG said the growth rate of Lexmark International, which has been listed on the New York Stock Exchange (NYSE), was six per cent last year.

The prices of X 5150 and X 1150 AIO printers have been fixed at Tk 12,000 and Tk 9,000. The price of E 323 laser printer is fixed at Tk 20,100 and price of Z 605-inkjet printer is fixed at Tk 2,800.

Later the Lexmark officials distributed crests among master resellers, diamond partners and gold partners of the company.



Workers extract coir from coconuts at Karwan Bazar in Dhaka. The coir is used to make mattress, mat and rope.

United Insurance earns Tk 1.98m pre-tax profit

United Insurance Company Limited earned a pre-tax profit of Tk 1.98 million in the first half of this year compared to Tk 5.96 million during the corresponding period of the last year.

This was disclosed at the 130th board meeting of the company held in Dhaka yesterday, says a press release.