

Account trade with Myanmar hangs in the balance

STAR BUSINESS REPORT

Account trade between Bangladesh and Myanmar hangs in the balance as the US has imposed economic restrictions on Yangon.

Dollar crisis worsened in Yangon following the economic restrictions. Due to restriction on opening Lcs in Myanmar, Dhaka and Yangon had decided to introduce account trade which has now become uncertain due to the US sanction, said a senior official at the Ministry of Commerce.

According to a memorandum of understanding (MoU) signed in March 2003, account trade will be settled in every six months. But Myanmar may face a big problem for settling the accounts due to dollar crisis, he added.

There was a proposal to open LCs in euro but there are also appre-

hensions that adequate euro may not be available with Myanmar, said the official.

According to the MoU, Bangladesh and Myanmar will have to sign another agreement for banking arrangement and send indicative list of products for account trade.

Sonali Bank has already been authorised for banking arrangement and the draft was sent to Myanmar.

Yangon has approved the draft and authorised a bank namely Myanmar Investment and Commercial Bank (MICB) for settling the account.

The managing director of MICB was scheduled to visit Bangladesh in May this year and all preparations were made but Myanmar authorities had cancelled the visit at the elev-

enth hour.

Bangladesh has sent an indicative list of 45 products for export under account trade. But Myanmar is yet to send its list to Bangladesh.

"The two deals with Myanmar are in the process of implementation. Account trade between Bangladesh and Yangon will begin shortly," Commerce Minister Amir Khosru Mahmud Chowdhury told reporters after an inter-ministerial meeting held at the Ministry of Commerce conference room yesterday.

A joint survey to construct a 28-kilometre road will begin by November, he added.

Representatives from home, foreign, shipping and communication ministries and the National Board of Revenue (NBR), Sonali

Bank, Export Promotion Bureau (EPB) and Bangladesh-Myanmar Business Council (BMBC) attended the meeting.

The meeting formed two committees for recommending necessary rules and regulations for the coastal shipping agreement with Myanmar.

Representatives of the shipping, commerce ministries and NBR are the members of the committee for the coastal shipping agreement.

Besides, another committee was formed to suggest ways to make the existing border trade agreement effective. Headed by a joint secretary of the Ministry of Commerce, representatives from the NBR, EPB and BMBC are the members of the committee.

Janata Bank cuts interest for agri sector

UNB, Dhaka

The state-owned Janata Bank has reduced interest rates on different types of loans for the agriculture sector to give a boost to the rural economy.

The Janata Bank board of directors at a meeting yesterday reduced the interest rate by 3 per cent to 10 per cent on rural credit as well as on term loans and working capital for agro-based industries.

The interest rates on loans to agro-based industries like fruit preservation-processing and agro-based export oriented industries have been lowered to 10 per cent and 9 per cent respectively while the rate on export credit for the agro-products to 7 per cent.

The downward adjustment of the interest rates would help to increase investment in the agriculture sector, create employment opportunity in the rural areas and to develop small and medium entrepreneurs, said a Janata Bank statement.

Heritage tea now available at Nandan

Heritage Tea is now available at superstar Nandan in Dhaka.

Producer of Heritage Tea, M Rahman Tea Company Limited, a member of Transcom Group, has introduced two unique blends of tea, namely morning blend and afternoon blend at the store, says a press release.

The tea is available in packs of 1,000g, 400g, 200g, 100g and 50g.

A raffle draw has been introduced for consumers of Heritage Tea. The offer will be available only at Nandan till August 25.

Repo auction

UNB, Dhaka

The reverse Repo auction of Bangladesh Bank for commercial banks and financial institutions was held here yesterday.

Two bids of 2-day tenor amounting to Tk 190 crore were received and accepted.

The rate of interest against the accepted bids was 3.90 per cent per annum, said a Bangladesh Bank press release.

Italian restaurant at Sheraton

An Italian restaurant named 'Italia Bar and Bistro' has been opened at Dhaka Sheraton hotel to provide exciting cuisine to the customers.

Mir Mohammad Nasiruddin, state minister for Civil Aviation and Tourism, inaugurated the restaurant at the hotel poolside on Sunday, says a press release.

Md Shafiqul Islam, secretary of Civil Aviation and Tourism, and Dr Pietro Ballero, ambassador of Italy in Bangladesh, were also present as special guests.

Trevor MacDonald, general manager of Dhaka Sheraton Hotel, said "I am very keen to provide Dhaka with a great Italian style restaurant that is a fun place to come to while you enjoy good quality Italian cuisine. I firmly believe that this is lacking in Dhaka."

The restaurant will cater for 70 people. Now, "Italia" will provide diners with an enclosed environment offering views over the poolside and the Winter Garden.

Private bodies should raise voice for market access

Khosru tells LDC garment workers' forum

STAR BUSINESS REPORT

Commerce Minister Amir Khosru Mahmud Chowdhury yesterday said private bodies should raise their voice for the cause of poor nations.

"Apart from government initiatives, you the private bodies should raise your voice and stage demonstrations all over the world so that the poor nations can get duty free access to developed nations," Khosru told participants of International Solidarity Forum for Garment Workers of LDCs.

The two-day forum was organised by Bangladesh Garment Workers Protection Alliance (BGWPA), a platform of 19 garment workers' associations, with a view to highlighting rights of workers and their interest for a secured livelihood.

State Minister for Labour and Employment Amanullah Aman, Bangladesh Export Processing Zone Authority (BEPZA) Executive Chairman M Mofizur Rahman, Bangladesh Garment Manufacturers and Exporters Association (BGMEA) President Quazi Moniruzzaman, Bangladesh Institute of Labour Studies (BILS)

Secretary General Nazrul Islam Khan and Kormojibi Nari President Shirin Akher also spoke at the inauguration session of the forum held at Bangladesh Institute of Administration and Management (BIAM).

Convener of BGWPA and also Executive Director of Nari Uddog Kendra Masuda Khatun Shefali chaired the inaugural session.

The commerce minister said Bangladesh has already received the duty free access to Canada, Australia and Norway but yet to get the facility in the US market.

Bangladesh as co-ordinator of the LDCs is striving to ensure duty- and quota-free market access and unhindered movement of labour on temporary basis in various international forums, including WTO, the commerce minister said.

Khosru stressed on the movement of natural persons, particularly unskilled and semi-skilled service providers, to the markets of developed countries.

Stressing on maintaining product quality to sustain in the post-MFA era, Khosru said the government has already taken initiatives to train the managers and merchandisers of different garment companies to

improve their quality.

"They are getting training from different polytechnic institutes and they will also get training on marketing at Bangladesh Foreign Trade Institute (BFTI)," said Khosru.

BGMEA President Moniruzzaman said relationship between workers and employers help the readymade garment sector to become the largest export-earning sector of the country.

"Government, employers and workers have to work together to face the post-MFA era," the BGMEA president observed.

BGWPA Convener Shefali said the general objective of the solidarity forum is to develop collective strategies to campaign for a development-centered world highlighting concerns of the workers of Bangladesh.

Discussion on sustainable development and equitable distribution in the international trade system, labour standards, human rights regimes and adoption of a development plan of action on Dhaka declaration in this respect will be held today.

Participants from developing and least developed countries apart, some delegates from Japan, Australia and US are also participating in the forum.

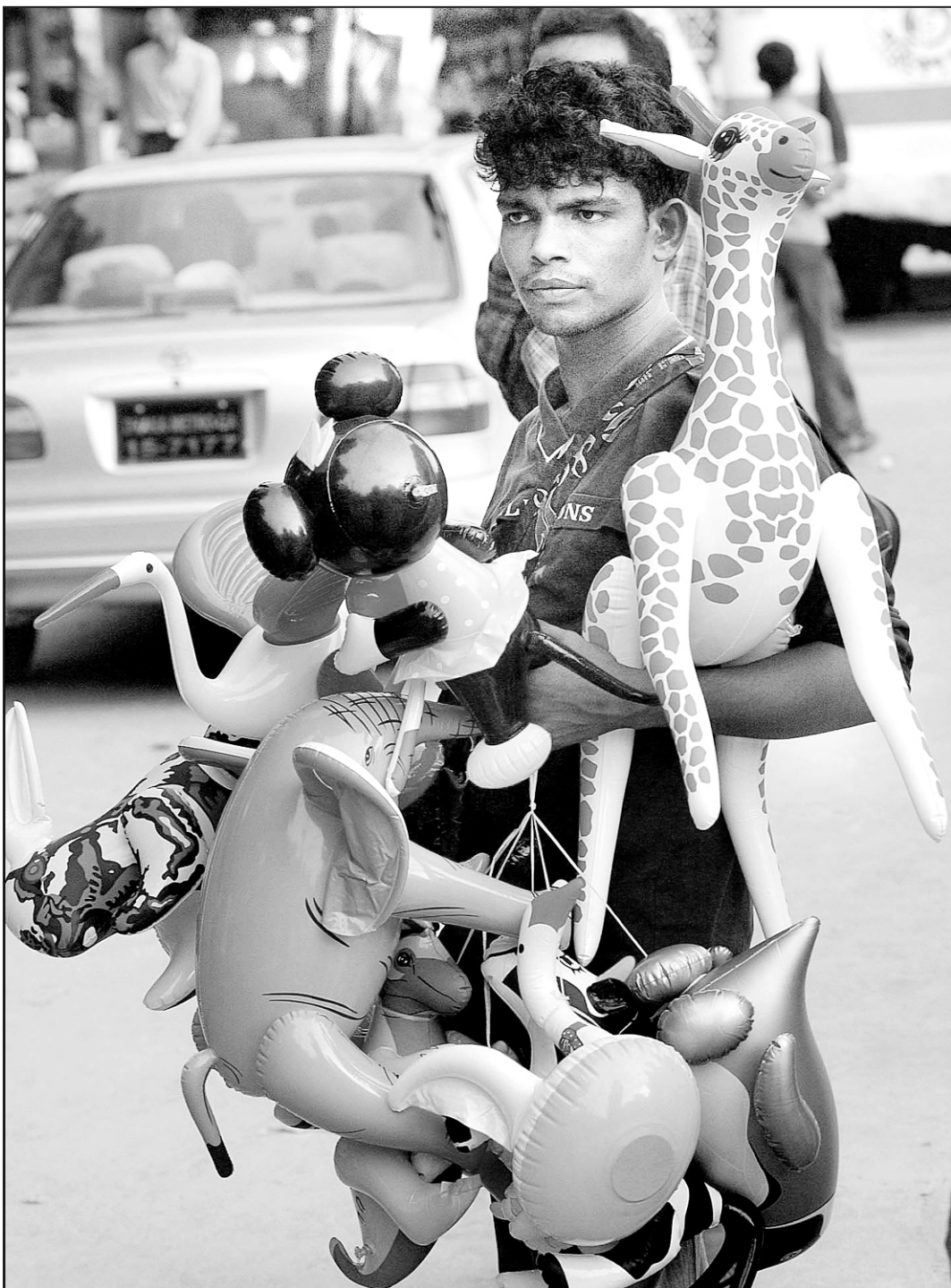


PHOTO: AFP

Ahmed Mia, a toy vendor, waits for customers at a road side in Dhaka yesterday. The vendor earns Tk 50 to Tk 60 per day. Approximately half of Bangladesh's population of 135 million live below the poverty line.



PHOTO: JUTE TRADERS' COMMITTEE

Small jute traders and growers stage a token hunger strike in front of the National Press Club in Dhaka yesterday demanding immediate payment of their arrears from the now closed Adamjee Jute Mills. A committee formed to realise the money claimed that Adamjee Jute Mills owe about Tk 44 crore to some 5,885 small jute traders and growers, but the money was not paid although the factory was declared closed on July 1, 2002.

Mission to boost trade

UNB, Dhaka

Bangladesh will send product-wise marketing missions abroad as part of its frantic bid to boost trade.

As part of the multifaceted drive Bangladesh is planning to participate in regular trade-promotion events globally, including single-country trade fairs, official sources said.

The government decided to send five marketing missions, first such effort in the country, to market goods including potatoes, footwear, pharmaceuticals, frozen foods, ICT service sector and home textile.

A budget of Tk 37.50 lakh has been fixed for the trade missions.

For all the trips, the Export Promotion Bureau (EPB) will bear 50 per cent of the air fare of the mission members from the private entrepreneurs and they would have to bear the remaining costs, including food and accommodation bills.

One government official will accompany each of the missions.

The marketing mission on potato, comprising four private entrepreneurs and one government representative, will explore the market in four Asian countries - Singapore, Malaysia, Brunei and Sri Lanka. It will go out on a 15-day assignment this month.

The footwear-marketing mission with five private representatives and one government official will go out exploring the market for country's footwear products in the United Arab Emirates and Canada for 12 days in November this year.

For pharmaceuticals, a six-member marketing team will visit five countries of Africa Kenya, Morocco, Algeria, Sudan and Senegal for 15 days during November-December this year.

A six-member one, comprising five private representatives, would explore the market in the UK, Germany, Belgium, Italy and France. The mission will embark on a 15-day trip in February-March 2004.

For exploring the market in Japan for Bangladeshi ICT service sector and home textiles for 10 days this month, a seven-member marketing team, with six private entrepreneurs, would visit the country.

A board meeting of the EPB approved the marketing mission on Sunday, stressing the need for dispatching more trade missions and taking part in international trade fairs in Japan, as Dhaka's export trade with Tokyo still remained marginal.

Commerce Minister Amir Khosru Mahmud Chowdhury chaired the meeting in the EPB conference room.

Meanwhile, the meeting approved participation in 16 international trade fairs and six single-country Bangladesh trade shows in 2003-2004.

The international trade fairs will be held, during the period, in Germany, Malaysia, the USA, India, Saudi Arabia, UAE, Hong Kong, Belgium, Singapore and Italy.

The Bangladesh trade shows will be held in Yangon, Sydney, Paris, Agartala, Bangkok and Toronto.

The government allocated Tk 20 crore for meeting expenditure for 2003-2004 fiscal year under the export-promotion programme.

In the last fiscal (2002-2003), export earnings increased 9.39 per cent to US\$6,548 million from the previous fiscal year's (2001-02) US\$5,986 million.

And the export target for the current fiscal (2003-04) has been set at US\$7,490 million, representing a growth of 14.39 per cent. The ambitious target was based mainly on expanded market access attained of late.

Salam said there is no container

BB governor directs NCBs to increase loans in agri sector

STAR BUSINESS REPORT

Bangladesh Bank (BB) Governor Fakhruddin Ahmed yesterday directed the chief executives of four nationalised commercial banks and two specialised banks to prepare a guideline to increase their loan portfolio in agro-based industries.

The directive was given at a meeting between the central bank governor and CEOs of the banks.

The BB governor asked the banks to fix a target for the current fiscal year and send it to the Bangladesh Bank within seven days.

The governor expressed dissat-

isfaction over last year's performance by these banks whose loan in the sector was small.

The CEOs tried to defend their acts saying there were hardly any good projects to extend credit.

Ahmed told the CEOs to increase the loan amount by taking refinancing facility from Bangladesh Bank.

According to sources, Bangladsh Krishi Bank (BKB) has disbursed Tk 350 crore in agro-based industries last year.

BKB disbursed Tk 63 crore in project loan and Rajshahi Krishi Unnayan Bank disbursed Tk 45 crore last year.

SEC reverts decision on renouncing rights share

NAZRATUN NAYEEM MONALISA

The Securities and Exchange Commission (SEC) had to revert from its early decision of not allowing renunciation of rights shares following a High Court stayed the SEC decision.

The High Court Sunday issued rule on the government seeking explanation from the SEC on its act following a petition by a disgruntled shareholder who contended that he was barred from renouncing his shares to his wife.

Following the stay and rule, the SEC in a letter to Islami Bank Bangladesh Ltd yesterday said an issuer of rights issue may exercise his or her right to renounce shares to any person.

Earlier, the SEC had prohibited Islami Bank Bangladesh Limited, Al-

Arafah Bank Limited and Oriental Bank Limited from enclosing the 'renunciation form' and renouncee's application in the company's rights share offer document.

Rights shares are offered to the existing shareholders in proportion to their holding out of total shares of a particular listed company.

The subscription for rights share issue of Islami Bank opened on July 27 without renunciation rights and continues till August 25.

Meanwhile, capital market analysts expressed concern over the SEC decision of scrapping "renunciation provision" of rights share issues that it would have a negative impact on the small investors.

The provision is in practice in the neighbouring countries like India and Pakistan.

FBCCI polls

High Court stays injunction by Patuakhali court

STAR BUSINESS REPORT

The High Court yesterday stayed a temporary injunction on FBCCI polls which was issued by a court in Patuakhali on August 2.

The High Court passed the order following a revision petition filed by FBCCI election board.

Sources said FBCCI election board could not include four members of Patuakhali Chamber of Commerce and Industry in its voter list as the nomination papers came after expiry of submission date.

The four members filed case with Senior Session Judges Court of

Patuakhali and the court on August 2 issued a temporary injunction on the election.

On August 7, district court rejected a petition filed by FBCCI election board for not maintaining the legal procedures.

The Patuakhali court on Thursday served a show cause notice on chairman and members of FBCCI election board asking them to explain why necessary legal actions should not be taken against them for violating a court order.

Concern over container crisis at Mongla Port

STAFF CORRESPONDENT, Khulna

With the container crisis persisting for one week at Mongla Port, frozen food exporters in Khulna have expressed grave concern.

Bangladesh Frozen Food Exporters' Association (BFFEA) Vice-president MM Abdus Salam has demanded container ship at the port immediately to save frozen food exports.

Salam said there is no container

vessel at the port since August 13. "As a result, frozen shrimp exporters are failing to export their consignments."

"And we cannot certainly say when the container vessel will arrive at the port," he added.

The US, UK, Germany, Belgium, Malaysia, France, Thailand, Japan, Vietnam, Denmark, Italy and Netherlands import processed frozen shrimps from 25 exporting firms of Khulna region.

Uttara Motors launches Bajaj Caliber 115 cc Motorcycle

Uttara Motors Limited, a leading automobile marketing company, has launched a new model 'Bajaj Caliber 115 cc' motorcycle at a function in Khulna.

Sheikh Tayebur Rahman, mayor of Khulna, unveiled the product as chief guest at the launching ceremony on Thursday, says a press release.

All dealers of Uttara Motors Ltd and a number of guests attended the ceremony.

In his speech, Matiur Rahman, chairman and managing director of Uttara Motors Ltd, spoke about the new product.

He said Bajaj Caliber 115 CC (Hoodlibaba) is a very fuel-efficient and cost-effective motorcycle.

The chief guest lauded Uttara Motors Ltd for marketing the fuel-effective motorcycle.

BTCCI trade team off to Thailand

A 13-member trade team of Bangladesh Thai Chamber of Commerce and Industry (BTCCI) has gone to Bangkok on a week's visit to Thailand.

The team led by its President R M Khan and Matiur Rahman, president of Dhaka Chamber of Commerce and Industry, left Dhaka on Sunday, says a press release.

The delegation comprises Lt Col (ret'd) Kamrul Hussain Murad, secretary general of BTCCI, Zafar Osman, treasurer of BTCCI and Sr. Vice-President of DCCI Masudur Rahman, director of BTCCI Alamgir M Z Rahman, director of BTCCI, MA Momen, director of BTCCI, Salahuddin Abdullah, director of BTCCI, Sayeeful Islam, member of BTCCI, Iftekhar A Khan, member of BTCCI, Mafiz Ahamed Bhuiyan, member of BTCCI, Kazi Ali Hasan, member of BTCCI, and Imtiaz Faruk, member of BTCCI.

During the visit, the delegation is expected to call on Thai prime minister, deputy prime minister, commerce minister and senior officials.

The team will also have talks with the leaders of Thai Federation of Chambers of Commerce & Industry, Thai-Chinese Chamber of Commerce & Industry, Chiang Mai Chamber of Commerce & Industry and other trade associations.

Taka eases slightly against dollar

BSS, Dhaka

The Bangladesh taka slightly eased against the US dollar yesterday after the dollar strengthened further against major currencies as global markets reiterated their overall faith in the US economic recovery in the absence of any fresh indicators, dealers said.

The dollar traded at Tk 58.4100-58.4150 to the dollar, compared with its previous closing at Tk 58.4000-58.4100 to the dollar on Sunday, foreign exchange dealers of leading commercial banks said.

"The demand for the US unit was slightly higher from importers when dealers see the dollar continued its gain against the major currencies", dealers of some private banks said.