

# Saifur slams SoEs for mismanagement

## STAR BUSINESS REPORT

Finance and Planning Minister M Saifur Rahman yesterday lashed out at the management and employees of some state-owned enterprises (SoEs) for their losses, wastage and wholesale mismanagement.

"Some jute mills in Khulna produces hessian costing more than Tk 99,000 per tonne but their export price is only Tk 40,000 per tonne. So, we have to have a tolerable level of price adjustment," he said.

The finance minister was speaking at the launch of 'Macroeconomics of Poverty Reduction: The Case Study of Bangladesh' by United Nations Development Programme (UNDP) at the IDB Bhaban in

Dhaka.

He said macroeconomic stability is vital for the country but job creation is also important. "Blind pursuance of macroeconomic stability is not necessary. We have to take upward and downward adjustment policies."

Laying stress on building effective institutions at local level the minister also criticised the wastage of national resources in primary education or healthcare centres.

Pointing to the fifth WTO Ministerial Meeting in Cancun that collapsed without any ministerial declaration, the finance minister expressed his opinion against Bangladesh's status as a least developed country (LDC).

"When you are saying that you

are an LDC, it means you are damaging your image. With this status people will not come to invest in your country," he observed.

Speaking at the function, Professor Wahiduddin Mahmud of the Department of Economics of Dhaka University said balance of payment is a crucial problem for Bangladesh because of its dependence on imports.

Domestic industries are heavily dependent on raw material imports, he said. "Export growth is necessary for Bangladesh. If we can't increase our exports we will not be able to import more. We should try to maintain the export momentum."

About banking sector reforms, he said the reforms going on in the

banking sector aim to reduce default loans, not to extend loans to the small enterprises. "But the main strength of the economy is these small enterprises."

"If present reforms in the banking sector make banks efficient, it may not happen that they would play a pro-poor role and there is a gap which will have to be reduced by institutional reform," Prof Wahiduddin said.

The study was prepared by a group of national and international economists and is part of a regional initiative between national governments and United Nations Development Programme to seek alternative policies for poverty reduction.

## Bol launches project to better investment climate

### STAR BUSINESS REPORT

The Board of Investment (Bol) yesterday launched a World Bank-funded project to identify the impediments to foreign investment and suggest remedial measures for overall improvement of the investment climate in Bangladesh.

Two foreign consultants have started working for the scheme titled Bangladesh Investment Incentive Review Project (BIIRP). They will submit a set of recommendations to the Bol by April next year.

The Foreign Investment Advisory Services (Fias) and South Asian Enterprise Development Facilities (SEDF), two affiliates of the World Bank, are providing \$1,12,000 for the project, Bol officials said.

The consultants will talk to executives of foreign companies operating in Bangladesh, chambers, leading business houses, donor agencies and different government offices related to foreign investment and incentives.

The BIIRP will also assess the effectiveness of investment strategy, policies, regulations and instruments, including incentives. It will examine how they work under the broader economic policy and investment environment.

"The consultants will look into incentives offered to foreign investors in India, Pakistan and other regional countries and recommend a package of incentives in Bangladesh context," said a Bol official.

Concord Group Chairman SM Kamaluddin speaks at a press conference in Dhaka yesterday to announce the launch of rooftop water proofing system. Concord has introduced the method in collaboration with Duo Asia, a company of NV De Boer, Belgium. Oliver Verdict, representative of Duo Asia, is also seen.



Concord Group Chairman SM Kamaluddin speaks at a press conference in Dhaka yesterday to announce the launch of rooftop water proofing system. Concord has introduced the method in collaboration with Duo Asia, a company of NV De Boer, Belgium. Oliver Verdict, representative of Duo Asia, is also seen.

# Japanese exporters urge govt not to ban reconditioned cars

## STAR BUSINESS REPORT

Japanese used car exporters have urged the government not to ban the import of reconditioned vehicles which they said are affordable and environment-friendly.

The government last year decided to impose a ban on import of reconditioned vehicles in Bangladesh with effect from July 2004 on environmental ground.

But Hiroshi Sato, chairman of Japan Used Motor Vehicle Exporters Association (JUMVEA), yesterday said Japanese used vehicles are not harmful to environment as the manufacturers always think about environment.

"Japanese vehicles have a good demand in the whole world for their good quality and affordable prices," he said at a press conference at a local hotel in Dhaka.

Sato also expressed his frustration over the restriction on importing above 1600cc cars and more than four-year-old vehicles in Bangladesh.

At present, maximum four-year-old vehicles are allowed to be imported in Bangladesh but these vehicles are not very much available in the Japanese auction, Sato said.

"Four-year-old commercial vehicles are very rare in Japanese market."

"From my point of view, six to seven years old vehicles are often just as fine as four-year-old vehicles," he pointed out.

About a meeting of the Japanese delegation with Finance Minister M Saifur Rahman the team leader said the minister had asked them to export buses and trucks. "We will be able to export buses and trucks if their using period are extended to 8-10 years."

The Japanese car exporters said once the reconditioned cars are restricted, new Indian vehicles will take a greater market share in Bangladesh. But the brand new vehicles of India are not long-lasting like the Japanese ones, they felt.

The JUMVEA chairman requested the Bangladesh government and importers to inform them about any flaws in quality of their vehicles. In that case, he said, necessary action will be taken against the exporters concerned.

# Ensure labour rights to augment RMG export

## Int'l trade union leader urges exporters

### STAR BUSINESS REPORT

Bangladesh needs to ensure labour rights if the country wants to augment its readymade garment export, said an international trade union leader yesterday.

"It will be difficult for Bangladesh to boost export in future if labour rights are not guaranteed," said Neil Kearney, secretary general of the BGMEA, said harmonious relationship between owners and the workers is a must to get maximum benefit from the sector.

Kearney urged the BGMEA leaders to ask its members to go by the international labour standards.

Taking part in the discussion, Akiko Gono, secretary of Tokyo-based Textile Workers Asian Regional Organisation (TWARO),

said it will be a win-win situation for both owners and the workers if cooperation between them is maintained.

Gono also put emphasis on increasing workers' productivity to boost readymade garment export.

Quazi Muniruzzaman, president of the BGMEA, said harmonious relationship between owners and the workers is a must to get maximum benefit from the sector.

Muniruzzaman also listed some welfare initiatives taken by the BGMEA.

Anisul Hoque, one of the leading exporters of the readymade garments, also took part in the discussion.

# ATDP turns to case studies to develop agribusiness

## BSS, Dhaka

In a unique effort to equip agribusiness, ATDP has taken the lead in developing case studies on local agribusiness for the first time in Bangladesh.

MBA students with world class skills will develop the case using local materials to analyse operation of local agribusiness, a press release said here yesterday.

The case studies will be used in the curriculum of Bangladesh's first Agribusiness MBA programme initiated by ATDP (Agro-based industries and Technology Development Project) at American International University-Bangladesh (AIBU).

Earlier, the ATDP has established a case studies writing unit in this regard. Students will be able to use these cases to sharpen their analytical skills and to devise solutions to real problems faced by local agribusiness firms.

The case writing unit is headed by Syeda Masarrat Quader, a University of Toronto graduate who recently received her MBA degree

# China, HK sign off on trade deal details

## AFP, Hong Kong

Chinese and Hong Kong trade officials on Monday signed off on the final details of a deal granting the territory more favourable trade terms with the mainland.

The six annexes of the agreement known as the Close Economic Partnership Arrangement (CEPA) were signed by Chinese Vice Minister of Commerce An Min and Hong Kong Financial Secretary Henry Tang at a ceremony here.

"It is a long term arrangement which will give 'impetus and opportunity' not only to Hong Kong but also to the mainland. An told reporters after the signing ceremony.

Tang described the deal as "open and continuous ... now it is up to the private sector to realize the potential benefits" of CEPA.

The framework CEPA accord was signed on June 30, on the eve of the fifth anniversary of the handover of the former British colony to China, witnessed by visiting Chinese Premier Wen Jiabao.

# DBBL signs \$5m credit line deal with Dutch partner

## STAR BUSINESS REPORT

Dutch-Bangla Bank Limited (DBBL) signed a \$ 5 million export credit line agreement with its partner Netherlands Development Finance Company (FMO) yesterday in Dhaka.

The credit line is meant for export oriented industrial units that intend to import capital goods to enhance production capacity.

DBBL Managing Director Md Yeasin Ali and FMO Investment Officer Arno de Vette represented their organisations in the signing of

loan agreement.

"This loan scheme will really help promote export-oriented industries in Bangladesh," said Arno de Vette at the signing ceremony. "This low interest foreign currency loan will benefit the ultimate clients as local currency loan interest rate is very high."

"As the FMO will charge as low as 5 per cent interest on its loan, the bank too will be able to re-lend at 8.50 per cent rate," said Md Yeasin Ali.

The bank will enjoy a two-year grace period out of five-year loan

tenor.

The eligible sub-borrowers of the loan include those private limited companies operating in any of the sectors like manufacturing industry, agriculture, transport and tourism.

The bank also signed a 2.50 million euro credit deal with the FMO on housing loan at the function. Re-lending interest rate on the housing credit will be at 13 per cent.

The FMO holds the 30 per cent share of the Dutch-Bangla Bank Limited.

# HSBC launches co-branded credit card with Prime Bank

The Hongkong and Shanghai Banking Corporation Limited (HSBC) in Bangladesh has launched its co-branded credit card with Prime Bank Limited.

The credit card, Local Gold MasterCard with the MasterCard logo, can be used anywhere in Bangladesh, says a press release.

Cardholders can get supplementary cards with shared credit limit where the first supplementary card is free of charge.

Cardholders will be able to enjoy between 20 and 50 days of interest free credit depending on the date of transaction.

# Emirates carries WB, IMF equipment to Dubai meet

Emirates SkyCargo, a venture of Emirates Group, carried necessary equipment of the just concluded WB-IMF annual board of governors' meeting held in Dubai from September 23-24.

The cargo carrier transported IT equipment, office supplies, publications and officials report from the headquarters of World Bank and International Monetary Fund in Washington, says a press release.

The case studies will be used in the curriculum of Bangladesh's first Agribusiness MBA programme initiated by ATDP (Agro-based industries and Technology Development Project) at American International University-Bangladesh (AIBU).

The first case is about a poultry company that produces day-old chicks that is trying to decide whether to integrate forward into broiler processing. Each case is followed by a list of questions to be used by students to analyze the case and to determine what they would do in each of the difficult situations that the businesses face.

Other cases will be established a case studies writing unit in this regard. Students will be able to use these cases to sharpen their analytical skills and to devise solutions to real problems faced by local agribusiness firms.

The case writing unit is headed by Syeda Masarrat Quader, a University of Toronto graduate who recently received her MBA degree

# Malaysian food, cultural festival attracts visitors

## STAR BUSINESS REPORT

A six-day Malaysian food and cultural festival began at Sonargaon Hotel in Dhaka on Sunday offering visitors an opportunity to savour delicious dishes of Malaysia and know better about the east Asian country.

Pan Pacific Sonargaon Hotel, in collaboration with the Malaysian High Commission in Dhaka and Malaysian Airlines, organised the festival at its Cafe Bazaar restaurant in observance of the World Tourism Day 2003.

State Minister for Civil Aviation and Tourism Mir Mohammad Nasiruddin formally inaugurated the preparation of Malaysian foods.

A team of Malaysian artistes will perform at cultural shows during lunch and dinner everyday till October 3, the last day of the festi-

val.

Visitors, including foreign diplomats, officials and businessmen, flocked to the festival to have taste of the Malaysian cuisine.

A variety of Malaysian foods, including seafood, chicken, mutton and beef items, soup, fish and assorted crackers, fish head curry, jelly, pineapple rice, mango pud, spicy fried rice, mutton biriani, mixed pickled vegetable, Malay cookies, rice cake, salads and fruits are available in the show.

Malay chefs from Pan Pacific Kuala Lumpur and Pan Pacific Johor Bahru are now in Dhaka for the preparation of Malaysian foods.

A team of Malaysian artistes will perform at cultural shows during lunch and dinner everyday till October 3, the last day of the festi-

val.

Speaking at the inaugural function Mir Mohammad Nasiruddin said the food festival and cultural function would strengthen bilateral relationship between Bangladesh and Malaysia as well as promote tourism.

Malaysian foods are very much similar to Bangladeshi food, the state minister said adding, "Malay food is gaining popularity in Bangladesh as the people here are now visiting Malaysia more frequently."

At the end of the festival, there will be a raffle draw with three prizes. The winners will get a return air ticket with two-night complimentary stay at Pan Pacific Kuala Lumpur, Pan Pacific Glenmarie, Subang and Pan Pacific Johor Bahru.

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Twelve bids of one-day tenor amounting to Tk 372.50 crore were received, of which nine bids amounting to Tk 324.50 crore accepted.

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