

Production of urea at Zia Fertilizer Co suspended

OUR CORRESPONDENT, B'baria

Production of urea at Zia Fertilizer Company Limited at Ashuganj in the district has remained suspended due to mechanical fault since yesterday morning.

The production came to a halt when a mechanical fault developed in the switch room of the factory.

Official sources in the factory said the fault is not that serious and they hoped to repair it by mid-night yesterday.

Meanwhile, following the production suspension, local fertilizer traders started selling urea fertilizer at Tk 280 to Tk 300 against usual price of Tk 272 to Tk 275 a 50-kg bag.

Cabinet okays amendment to Inland Shipping Ordinance 1976

UNB, Dhaka

The cabinet in principal has approved amendment to The Inland Shipping Ordinance 1976 for updating the law on present perspectives.

The approval was given on Monday at the regular weekly cabinet meeting held at PM office with Prime Minister Khaleda Zia in the chair.

Cabinet members and state ministers in charge of various ministries attended the meeting.

Cabinet secretary, principal secretary to the PM and secretaries concerned were also present.

Institute for internal auditors to be formed

With a view to ensuring strong internal control base in corporate houses, the country's leading internal auditors have taken initiative to form an institute to be named Institute of Internal Auditors (IIA).

A total of 22 participants from different national and multinational organisations at a recent meeting in Dhaka formed a 6-member committee to carry out the formalities of forming the institute, says a press release.

The members of the committee are Syed Rafiqul Alam, corporate risk manager of Lever Brothers BD Ltd, Sarwar Azam Khan, finance director of GlaxoSmithKline BD Ltd, Raihan Shamsi, additional general manager of Internal Audit and Controls of GrameenPhone Ltd, Shahjahan Majumder, financial controller of P&O Nedlloyd BD Ltd, Haikel Hashmi, director of Internal Control of American Express Bank Ltd, and Atique-e-Rabbani, managing director of TCL.

Ashok Agarwal, president of Institute of Internal Auditors (IIA)-India, was present at the meeting as the facilitator on behalf of IIA Inc based in Florida, USA.

India won't open markets unless developed nations cut farm subsidies

AFP, Mumbai

India warned Tuesday it will not open its markets further unless developed nations move swiftly to cut subsidies on their agriculture exports.

"If developed nations practise protectionism, their expectations in sensitive areas of developing nations should not be high," Indian Commerce Minister Arun Jaitley told reporters on the sidelines of an India-Gulf industrial conference.

Jaitley called for developed nations to announce a programme to cut their agriculture subsidies to facilitate two-way trade in areas such as the farm sector.

"I told this to the US trade representative Monday and we had said this at (the WTO talks in) Cancun. Developed countries should announce a programme to cut subsidies in agriculture. As of now they are not doing it," he said.

"The formula which they are giving to the world is not feasible for us as agriculture trade globally will be subsided by their subsidies," Jaitley, citing US bans on outsourcing government projects to India, said the West was promoting protectionism. Before, "business process outsourcing (BPO) had free market access but now they are curbing it," the minister said.

On Monday US Trade Representative Robert Zoellick urged India to open up its markets to help revive stalled World Trade Organisation (WTO) talks but New Delhi rejected the call without a quid pro quo on agriculture.

S Asians need to share resources to expedite development

Unnayan Parishad workshop observes

STAR BUSINESS REPORT

South Asian nations need to share electricity, water and other resources for expediting sustainable development in the area, speakers at a regional workshop in Dhaka suggested yesterday.

The upper and lower riparian countries should co-operate on water sharing for equitable use of natural resources, they said, adding that a country which enjoys advantages in a particular sector should provide the neighbours with resources and expertise.

They also called for economic integration of South Asian Association for Regional Cooperation (Saarc) by sharing common resources.

Bangladesh Unnayan Parishad organised the workshop to mark the launch of a draft study report on 'Sharing of Common Regional Resources' prepared as part of Sustainable Environment Management Programme (SEMP).

United Nations Development Programme (UNDP) funded the programme under Ministry of Environment and Forest. SEMP is the world's largest environment

programme funded by the UN body that involves 24 agencies.

Addressing the inaugural session, State Minister for Environment and Forest Jafrul Islam Chowdhury said Bangladesh has long been proposing optimum water resources management through collaborative efforts with upstream countries.

"Transboundary river flow is decreasing due to construction of dams and withdrawal of water for irrigation and other purposes by upper riparian countries which is putting adverse impact on Bangladesh," he said.

"If Bangladesh, India, Nepal and Bhutan can co-operate in water management in the region, they together could become one of the richest regions of the world in hydro-electricity generation," he said.

Former finance minister AMA Muhith said the south Asian nations should institutionalise co-operation to get optimal benefit from the resources it is blessed with.

Though Bangladesh is the main channel to the Bay of Bengal for Ganges, Brahmaputra and Meghna, it is deprived of the water resources, he said.

Shireen Kamal Sayeed, assis-

tant resident representative of UNDP, Dhaka, said if European, Caribbean, Latin American and other regional countries can forge unity Saarc nations can also proceed towards economic integration.

"Sharing resources like water and electricity can be first step towards broader co-operation which would lead to economic integration," he said. "Unless south Asian countries stand united they will lose battle in WTO negotiations," he said.

Qazi Kholiqzaman, chairman of Bangladesh Unnayan Parishad, said, "As the study suggests that sharing of resources can benefit all countries we now need strategic action and negotiations."

MH Siddiqi, leader of the study, said the hydroelectricity potential of Nepal alone is estimated at about 82,000 MW of which about 43,000 MW has been assessed to be economically viable. The Saptakosi dam project site is only 110 km from Thakurgaon and electricity can be easily transmitted from there, he said.

Among others, Managing Director of Jamuna Bank SA Chowdhury and Director Noor Mohammad were present.



PHOTO: GP

Officials of GrameenPhone and Bank Asia pose for a photograph after signing an agreement between their two organisations in Dhaka recently. Under the deal, clients of Bank Asia will receive account statements, last transaction details through SMS of GrameenPhone. Only the joint subscribers of GrameenPhone and Bank Asia will enjoy this facility.

Ctg trade fair begins today

STAFF CORRESPONDENT, Ctg

Chittagong International Trade Fair 2004 begins today at Polo Ground with companies from 11 countries showcasing their products.

Commerce Minister Amir Khosru Mahmud Chowdhury will inaugurate the month-long fair. State Minister for Environment and Forest Jafrul Islam Chowdhury will be present at the inaugural function.

Chittagong Chamber of Commerce and Industry (CCCI) is organising the 12th edition of the fair, the largest exposition under

private sector initiative.

"We have completed all preparations to hold the fair," said Amir Humayun Mahmud Chowdhury, president of the chamber at a press conference yesterday on the eve of the exhibition.

The fair will have four mega pavilions, four mini mega pavilions, 42 normal pavilions and 400 booths covering the 400,000 square feet venue, he informed.

This year's partner country, Thailand, will have two exclusive pavilions housing 63 booths, Chowdhury said.

Apart from Thailand, companies from the US, Canada, Sri Lanka, China, Hong Kong, Singapore, Iran, Pakistan and India are taking part in the fair.

A wide range of products including computers, handicrafts, foodstuff, apparels and garments, leather goods, electrical goods, electronics, ceramics, aluminium products, jute goods and cosmetics will be put on display.

Minister Counsellor of Thai Embassy in Dhaka Veerask Chullawichit also spoke at the press conference.

Corporate governance needed for economic development

DCCI seminar told

STAR BUSINESS REPORT

Speakers at a seminar in Dhaka yesterday underscored the need for corporate governance and overall reforms in financial sector to accelerate economic development focusing on small and medium enterprises (SMEs).

"Financial institutions should enhance their financing portfolio to SMEs, the main engine for economic growth," Prof Momtaz Uddin Ahmed, vice-chancellor of privately owned State University of Bangladesh, told the seminar.

Dhaka Chamber of Commerce and Industry (DCCI) President Fazle RM Hasan said reforms in the financial sector is essential for improving the economy, because financial market is the vehicle for financial development.

DCCI in cooperation with the Centre for International Private

Enterprise (CIPE), an affiliate of the US Chamber of Commerce, organised the seminar on Reform of Financial Policies for Economic Development.

Prof Ahmed said in the age of economic globalisation only changing of some policies does not mean reform. "Without increasing operational efficiency in the financial institutions reform is not possible."

Enam Ahmed Chowdhury, chairman of Privatisation Commission, said without corporate governance the initiatives of reform of financial policies will be failed.

About privatisation he said it not only helps in the growth of economy but also promotes further industrialisation.

The DCCI president said banking sector reform and the security market development are the major areas where emphasis should be given.

Professor Feroz I Faruqui presented the keynote paper with 99 recommendations on various aspects of reform of financial policies for economic development.

Dr Qazi Kholiqzaman Ahmad, president of Bangladesh Economic Association, however advised the DCCI to make maximum 20 strategic recommendations. A guideline should be there for sustainable development, he said.

Lack of corporate governance is a major problem in the capital market, Saiauddin Ahmed Khan, chief executive officer of Dhaka Stock Exchange, said.

AM Mubash-Shar, senior vice-president of DCCI, Abul Quasem, general manager of Bangladesh Bank, and Abdul Karim of Midas Financing Ltd also spoke at the seminar.

Bank holiday on Feb 21

UNB, Dhaka

Bangladesh Bank and all scheduled banks will remain closed on Saturday (February 21) on the occasion of Shaheed Day and International Mother Language Day, said a press release of the central bank.

New Q-cash ATM opens

A new Q-cash automated teller machine (ATM) was inaugurated recently at Dhanmondi Branch of Jamuna Bank Limited in Dhaka.

Customers of the nine shared member banks of Q-cash will be able to transact through this machine, says a press release.

Chairman of Jamuna Bank Atiqur Rahman and Q-cash Chairman and Metropolitan Chamber of Commerce and Industry (MCCI) President Kutubuddin Ahmed were present.

Among others, Managing Director of Jamuna Bank SA Chowdhury and Director Noor Mohammad were present.

Thailand, Japan conclude 1st round of trade talks

AFP, Bangkok

Thailand and Japan on Tuesday concluded their first round of negotiations on a free trade agreement (FTA) expected to boost economic ties between the two nations, officials said.

Akira Muto, director of the FTA/EPA (economic partnership agreement) division in Japan's foreign ministry, said the "fruitful" discussions addressed a broad range of trade issues, including intellectual property (IP) rights, and helped lay the groundwork for the next round of talks April 7-9 in Tokyo.

"The meeting covered all the essentials, and it was very useful for the EPA as every topic is subject to negotiation," Muto told a press briefing.

Negotiators declined to go into specifics about the talks, but Muto said the Japanese side was concerned about IP protection.

"IP is an essential matter to bring for discussion, and we have exchanged our views," Muto said.

Unilever's India unit Q4 net profit up 2.94pc

AFP, Mumbai

Hindustan Lever, the Indian unit of Anglo-Dutch food major Unilever, Tuesday posted a 2.94 percent rise in profits over a year earlier, led by growth of its home personal care and food brands.

It said profits were 4.94 billion rupees (109.33 million dollars) against 4.80 billion rupees the same quarter in 2003.

Sales in the fourth quarter however declined to 25.83 billion rupees from 26.34 a year earlier.

Net profit for the full year 2003 was up marginally at 17.71 billion rupees from 17.69 billion in 2002, while sales for the year rose to 101.38 billion rupees from 99.54 billion rupees.

The company said net profit for the fourth quarter was arrived at after providing for an exceptional charge of 766.0 million rupees relating to business restructuring and higher retirement benefit charge.

Hindustan Lever Chairman M.S. Banga said the company's outlook was firm given the strong economic growth of the Indian economy.

HSBC high official visits Bangladesh

Steve Tait, head of Human Resources of The Hongkong and Shanghai Banking Corporation (HSBC) in Asia-Pacific, visited Bangladesh.

During his visit from February 14-16, he met HSBC Bangladesh staff in Dhaka and Chittagong, says a press release.

He also visited Milon Akshar Gayan School, a charitable organisation for destitute children in Chittagong, on Sunday and handed over a cheque for Tk 200,000 to Bilquis Dada, one of the founders of the school.

The fund was raised from the HSBC Charity Golf Tournament held at Bhatiyar Golf and Country Club, Chittagong in 2003.

EU pledges 5m euros to help implement Safta treaty

PALLAB BHATTACHARYA, New Delhi

Termining the South Asian Free Trade Area (Safta) a "win-win" situation for all countries of the region, the European Union on Monday pledged five million euros to help them implement the treaty from January 2006.

The EU financial assistance is aimed at helping Saarc countries obtain technical expertise to harmonise their customs regulations and build necessary institutions for free trade arrangements, said European Commissioner for External Relations Chris Patten.

He described Safta as "extremely exciting" for all seven Saarc countries. "The EU is ready to increase its support to Saarc by providing techni-

cal assistance for implementation of free trade area," he told reporters in New Delhi.

Patten said regional trade cooperation is a key component of an expanded area of peace and prosperity in South Asia.

Irish Foreign Minister Brian Cowen, who heads the EU troika of ministers visiting India, said "Safta is a win-win situation for the entire grouping and will have huge potential."

Welcoming the "courage" shown by India and Pakistan in resuming the dialogue process, he said "the outside world should be patient because the issues involved are complicated and difficult. The international community should be patient and supportive."

Asked if divergence of views persisted between India and the EU on signing the Nuclear Non-proliferation Treaty, the European Commissioner said, "I do not think either of us are going to change our position" but all countries must behave responsibly to ensure there is no proliferation.

He said if European countries were involved in recent proliferation, investigation should be conducted and those countries should be taken to court.

Indian External Affairs Minister Yashwant Sinha later told reporters that he was optimistic about India and Pakistan reaching an accord on the timeframe, agenda and the level of bilateral talks.

Asia Pacific Region Microcredit Summit

We train people before providing microcredit

Says Swami Shashankananda

STAR BUSINESS REPORT

People intending to get microcredit in India are trained and made capable to use the loan, said Swami Shashankananda, an Indian delegate attending the Asia Pacific Region Microcredit Summit that began in Dhaka on Monday.

Shashankananda is a director of the National Bank for Agriculture and Rural Development, a major financing institution in India that provides financial assistance to other commercial banks for microcredit operations.

"At first, we create awareness among the people and then give them training on several sectors for making them fit for loans," he told The Daily Star on Monday explaining the nature of microcredit programmes in India.

Termining microcredit loans 'very useful' for rural development he said the idea has got tremendous response all over India as a tool to get out of poverty.

Microfinancing is in practice in major Indian states including Andhra Pradesh, Gujarat, Madhya Pradesh, Karnataka and Tamil Nadu, he said.

Shashankananda, also secretary of Ramkrishna Mission at



Swami Shashankananda

Ranchi, said the mission has adopted the idea of microcredit programme to serve the people.

The mission provides training to people on rural development in various sectors like farming, poultry and small industries for developing entrepreneurship.

Later, they are linked to the banks for financing. They form groups of 10 to 20 people and apply for loans. Banks provide them collateral-free loans.

At present, such microcredit programmes are being conducted on a large scale at 75 villages in Ranchi.

Microcredit empowers the poor: Dana Whitaker

STAR BUSINESS REPORT

Dana Whitaker, a participant at the Fourth Asia Pacific Region Microcredit Summit, strongly believes micro loan can empower the poor.

Sharing her experiences in far-flung places like Guatemala and Ghana to India and Bangladesh, the California-based alternative high school teacher says, "I'm here to learn from micro-credit experiences, but more importantly, I'm here to make contacts with micro-credit practitioners."

Whitaker, also a freelance photographer, is writing a book titled "Transforming Lives: \$40 a day," which will bring together stories and images of micro-credit beneficiaries across the globe.

Whitaker says she borrowed the second title of the book from the experience of Ghanaian women who earn \$40 a day now after micro loan transformed their lives.

The idea of writing the book came upon her during her travelling around the world as part of her dream to become a National Geographic photographer.

Speaking on the book, the blue-eyed woman says, "The stories have to be told to a large audience around the world who are yet to learn about the successes of micro-



Dana Whitaker

credit."

She recalls a family friend first told her the inspiring tales of micro-credit successes around the world.

Whitaker, who bears the travelling costs out of her own pocket, believes it is her money's worth saying, "I have just been to India and visited some micro-credit operations here in Bangladesh, it's simply amazing!"

Rushing off to a village straight from her arrival at Zia International Airport, Whitaker says she can't lose time in informing people about micro-credit and expects she will be able to compile the information for the book by year-end.

RECOVERY OF LOOTED GOLD

Jewellers threaten strike after Feb 20

STAR BUSINESS REPORT

Jewellers have threatened to go for a strike if the authorities fail to recover the gold looted from a market in Dhaka by February 20.

After the looting at two jewellery shops at Karnaphuli Garden City market on February 4 the jewellers gave the government a 72-hour ultimatum to recover the looted gold.

They, however, extended the deadline to February 20, sources in the Bangladesh Jewellery Manufacturers and Exporters Association (BJMEA) said.

"If there is no progress in gold recovery, we'll be forced to go for tougher agitation including strike," said Anwar Hossain, president of BJMEA.

He said the jewellers association will discuss with other associations to chalk out the course of action on expiry of the deadline.

The other associations are Bangladesh Jewellers Samity, Bangladesh Poddar (gold bar sellers) Samity and Bangladesh Goldsmith Association.

"In this situation it has become very difficult for us to continue our business," said Khabir Uddin Miah, another leader of BJMEA.

Robbers looted gold and ornaments worth Tk 5.41 crore from Sultana Jewellers and Mahanagar Jewellers at Karnaphuli Garden City market in the early hours of February 4.

S'pore trade minister due in India today

Singapore minister for trade and Industry George Yeo will make a 4-day official visit to India today.

He undertakes the trip at the invitation of India's Minister for tourism and culture Jagmohan, says a press release.

Yeo is accompanied by officials from the Ministry of Trade and Industry and Singapore Tourism Board (STB) as well as business leaders from the tourism industry.

He will attend the International Conclave on Buddhism and Spiritual Tourism on February 18 participate in the promotion of the Mahabodhi Temple at Bodhgaya in Bihar, as a world heritage site on February 19 and launch the inaugural meeting of the STB's Marketing Advisory Council (India) in Goa on February 21.

In Delhi, he will call on Indian government leaders and speak at an event organised by the Confederation of Indian Industry.

Both countries will explore further co-operation in the areas of tourism and cultural exchanges.



PHOTO: SIEMENS

Peter E Albrich, CEO and managing director of Siemens Bangladesh Limited, and Chiris Maloy, CEO of CityCell, are seen in the picture after the signing of an agreement between the two organisations recently. Under the deal, Siemens will provide equipment for Dhaka-Rangpur SDH Microwave Backbone Link and 100 PDH MW Link.