

Ctg apparel show starts today

STAFF CORRESPONDENT, Ctg

The 2nd Chittagong Apparel, Fabric and Accessories Exposition (CAFAXPO) organised by Bangladesh Garments Manufacturers and Exporters Association (BGMEA) starts here today.

Commerce Minister Amir Khosru Mahmud Chowdhury is scheduled to inaugurate the 3-day fair at Chittagong Stadium at 10 in the morning.

On the eve of the show, the BGMEA leaders at a press conference here yesterday said thirty-four companies from home and abroad will be displaying their products in forty-four stalls.

A seminar titled "Meet post-MFA challenges by improving the performance of RMG sector with information and communications technology" will also be held during the show.

Four new DSE directors elected

STAR BUSINESS REPORT

Md Shakil Rizvi, AS Shahudul Huque Bulbul, Md Shahjahan and Md Shahiq Khan were elected directors of Dhaka Stock Exchange (DSE) yesterday.

A total of 135 members out of 175 valid members cast their votes in the election that ran from 10am to 4pm.

Five candidates contested in the election.

The newly elected directors will replace directors who are retiring after serving three-year term. The retiring directors are Abdullah Bukhari, Sharif Aatur Rahman, Anwar Hossain and Habib Abul Mustak.

The elected directors will take charge at annual general meeting of the DSE scheduled for March 3. The 12 elected directors including the newly elected four will then elect one president and one senior vice-president and one vice-president for the next one year on the same day at the first board meeting of board of directors.

There are 12 elected and 12 nominated directors in the board of directors. According to the DSE constitution, four elected directors retire every year and four others replace them through direct voting.

Cairns Group calls on world to set date for free farm trade

AFP, San Jose

The Cairns Group of farm exporting nations issued a joint call Wednesday for the United States, Europe and Japan to set a "final date" for ending all agricultural export subsidies.

Wrapping up a ministerial meeting in Costa Rica, they issued a statement pressing the major powers to show leadership by converting World Trade Organization commitments into action.

"Ministers called on Europe, the United States and Japan, which have a special responsibility to show leadership, to translate into action their commitment to implement faithfully the mandate," the statement said.

"There is no need to identify a list of products on which export subsidies should be eliminated. What is needed now is a commitment to negotiate a final date for the elimination of export subsidies on all products."

World Trade Organization ministers in December 2001 adopted an agenda calling for negotiations with a view to "phasing out" agricultural export subsidies.

But a deep split over how to do so contributed to the collapse of free trade talks in Cancun, Mexico, last year.

Cairns Group nations -- Argentina, Australia, Bolivia, Brazil, Canada, Chile, Columbia, Costa Rica, Guatemala, Indonesia, Malaysia, New Zealand, Paraguay, the Philippines, South Africa, Thailand and Uruguay -- chided the big industrialized nations.

"Proposals by the major developed countries fall well short of the Doha mandate and would leave in place enormous levels of trade distorting support," they complained.

Ministers cited in particular rich nations' support for the cotton industry.

"Ambitious cuts" in domestic agricultural support and the elimination of all export subsidies would enable the world to get a "more ambitious" outcome in pricing open developing countries' markets, they said.

Dhaka eyes India market pie thru' Safta, FTA

UNB, Dhaka

Commerce Minister Amir Khosru Mahmud Chowdhury hopes Bangladesh can capture a market share of the big Indian economy following a demand boom from a rapidly-growing Indian middle-class.

"India alone cannot meet the demand. It's simply impossible," he told the businesses here yesterday, amid concerns stemming from the ongoing negotiations on Safta and bilateral FTA with the neighbouring country.

The minister came up with the observations at a donor-sponsored seminar at

Dhaka Chamber of Commerce and Industry (DCCI), dispelling apprehension by a section of businesspeople and experts about losing competitiveness to Indian products.

The DCCI and the World Bank jointly organised the seminar on

Safta and FTA, with DCCI President Fazle RM Hasan moderating the brainstorming on business.

Economists, trade experts and businessmen stood split over prospects and risks of striking bilateral and regional free-trade agreement, with particular focus on challenges from India.

The minister attempted to persuade the sceptical ones that Bangladesh has developed a negotiating capacity incorporating experts and business leaders in the team that "successfully" performed at the Cancun conference, and was getting better and better.

He also defended that the country has already diversified products like CR coil, bicycle and confectioneries while some others coming up soon.

Analysing the risks of non-tariff barriers, he referred to the case of China, saying that the multilateral trading system is now well conversant with the fact of non-compliance

and heavily undervalued currency.

"The system will take care of making a level playing field," he told his business audience, stressing that what should be given emphasis in this part is to address the issue of product standards.

Responding to the fears about phasing out of quota regime, the minister struck a note of confidence: "not all bad news".

In his welcome address, DCCI president Hasan said that the business community was looking for a better treatment under the new agreement of Safta and proposed bilateral FTA with Sri Lanka, Pakistan and India so as to equitably share the gains of increasing trade.

World Bank Economic Advisor Dr Newfarmer made a presentation on Safta, highlighting prospects for Bangladesh, despite challenges. World Bank economist William J Martin dwelt on FTA potential.

Gulf Oil Int'l to set up lube blending plant in Bangladesh

STAR BUSINESS REPORT

After Mobil, another multinational oil company, Gulf Oil International, is planning to set up a lube oil blending plant in Bangladesh.

"The plant is expected to be set up by 2006," Monirul Islam, managing director of Gulf Oil Bangladesh Limited (GOBL), marketing company of the UK-based Gulf Oil International, told The Daily Star on Wednesday.

Mobil is the first multinational oil company which last year established a blending plant in Chittagong in a joint venture with state-owned Jamuna Petroleum Company.

Initially, GOBL will start blending oil at Eastern Lubricant Bending Limited (ELBL) of Bangladesh Petroleum Corporation (BPC) within

next three months.

"We have already signed a deal with the BPC to use Eastern Lubricant for blending lube oil," said the GOBL managing director.

Apart from Mobil and ELBL, there are three lube oil blending companies in Bangladesh -- one in public sector and others in private sector. The other public sector company is Standard Asiatic Oil Company Limited.

The GOBL will add latest technology to the ELBL plant, which will increase the plant's capacity, Monirul Islam said at the company's first Distributors' Conference held at a local hotel on Wednesday evening.

A Rouf Chowdhury, vice-chairman of GOBL and chairman of Rangs Group, and V Romesh, vice-

president of Gulf Oil International, also spoke at the function.

Speaking at the conference, A Rouf Chowdhury urged the dealers to maintain good relations with the customers.

Satyabrata Das, senior general manager (sales and marketing) of the GOBL, made a presentation on the company's present state and future business plans.

The product range of GOBL include engine oil, gear oil, grease oil and industrial oil. The company is going to start marketing of filter in Bangladesh in future, Das added.

More than 150 GOBL dealers from across the country attended the conference. They requested the company to enhance publicity for better sale of lubes.

United Leasing recommends 55pc dividend

The board of directors of United Leasing Company Limited has recommended 55 percent dividend for shareholders.

The board's recommendation will be placed for approval before the next (15th) annual general meeting of the company to be held on April 26, says a press release.

The company earned a post tax profit of Tk11 crore in 2003, the release added.

StandChart holds training for BB team

Standard Chartered Bank organised recently a weeklong training programme on "Treasury Risk Management and Control" for a seven-member Bangladesh Bank (BB) inspection team.

The programme was organised to provide basic concepts of dealing room activities and technicalities, determination, reconciliation, credit risk monitoring, market and operational risk monitoring, audit tips and mock audit.

Chief Executive Officer of Standard Chartered Bank, Bangladesh David Fletcher awarded certificates to the participants on the concluding day, says a press release.

Standard Chartered Bank arranged the training programme as a part of its commitment for the development of the foreign exchange market in Bangladesh.

Emirates holds aviation security management course

Emirates held its first-ever graduation ceremony for successful participants in the diploma course in Aviation Security Management.

The course, reaffirming the Emirates Group's commitment to effective training for maintaining the highest level of onboard security, was carried out in partnership with Edith Cowan University of Perth, Western Australia, says a press release.

Emirates Chairman Sheikh Ahmed bin Saeed Al-Maktoum and Professor Anthony Watson, pro vice-chancellor of Edith Cowan University, presented the diploma certificates to thirty graduates, most of whom are Emirates Group employees.

Qatar Holidays, Shangri-La Hotels hold function for travel agents

Qatar Airways Holidays, the leisure division of Qatar Airways, and Shangri-La Hotels, a leading luxury hotel group in Asia, organised a joint function recently for the travel agents in Dubai.

The objective of the programme was to educate the travel agents about the companies and their offers, says a press release.

Some 55 representatives from travel agencies and high-profile delegates from both companies attended the function.

Singapore 2nd most globalised nation

ANN/THE STRAITS TIMES

Despite facing many economic challenges and a faltering global economy last year, Singapore jumped two places to become the second most globalised nation in the world.

The Republic moved up two notches from fourth place, and now ranks behind Ireland, which continues to hold the top place as the world's most global nation for the third year in a row.

Shaking off the effects of Sars and the economic downturn, Singapore was actually recovering some lost ground, as it had been ranked No 1 in the inaugural globalisation index launched four years ago.

Malaysia, now ranked 20th, was the only other Asian country to make it to the global top 20 ranking in the just-released fourth annual AT Kearney and Foreign Policy magazine globalisation index.

United States-based AT Kearney, which also has offices in Singapore, is one of the world's largest management consulting firms.



PHOTO: STAR
A Rouf Chowdhury, vice-chairman of Gulf Oil Bangladesh Limited (GOBL) and chairman of Rangs Group, speaks at the first Distributors' Conference of GOBL in Dhaka on Wednesday as V Romesh, vice-president of Gulf Oil International, Monirul Islam, managing director, and Satyabrata Das, senior general manager (sales and marketing) of GOBL, look on.

Wrong concept retards poverty reduction efforts

Seminar observes

STAR BUSINESS REPORT

Poverty reduction efforts in the country never witnessed desired success due to the politicians' wrong concept on development, a leading economist said yesterday.

He said the lawmakers usually think building infrastructures is the only way to development, which in fact helps them in securing more votes in elections.

"Success of poverty alleviation lies in basic changes in health and education sectors, which are yet to improve significantly," said Hossain Zillur Rahman, executive chairman of Power and Participation Research Centre (PPRC).

He observed this while presenting a paper at a seminar on 'Poverty Alleviation and Good Governance' that began yesterday at the National Economic Council auditorium in Dhaka.

Social Science Research Council (SSRC) of the Ministry of Planning organised the two-day seminar in association with the Centre for Development Research, Bangladesh (CDRB), a non-governmental research organisation.

In his paper, Rahman also pointed out some achievements in

poverty reduction programmes by the government and other organisations.

According to him, Bangladesh saw a moderate decline in poverty at roughly one percentage point a year though it leaves over 40 percent of the population in poverty at the close of the decade.

The country also witnessed better progress in non-income dimensions including primary school enrollment, immunisation, and health education than in income dimensions of poverty, he added.

Rahman suggested that the government should give more emphasis on managing micro-governance than macro-governance.

Mizanur Rahman Shelley, chairman of CDRB, said the objective of the seminar is to identify content, nature and texture of the interrelationship between poverty and governance, which is required for poverty alleviation.

Fazlur Rahman, secretary of the Ministry of Planning and also member-secretary of the SSRC, also spoke at the inaugural function.

Participants of the seminar will discuss different aspects of the topic at three sessions today.

Navana launches new vehicle in Ctg

STAFF CORRESPONDENT, Ctg

Navana Limited introduced a new model Hino passenger minibus for medium and long-distance routes, particularly for hilly roads, here yesterday.

The new model vehicle -- Hino FB 2 WGKZ -- imported from Hino Motors Limited, Japan are assembled locally at Aftab Automobiles.

Chittagong Chamber of Commerce and Industry (CCCI) President Amir Humayun Mahmud Chowdhury formally launched the new vehicle.

At the launching ceremony, the chamber president called importers to procure vehicles that can be converted easily into CNG-run ones.

Asia should be flexible on currencies, says IMF chief

AFP, Seoul

The head of the IMF on Thursday urged Asian countries to reduce government intervention in foreign exchange markets and introduce more flexibility in their currencies.

Horst Koehler also said in a speech to be delivered on Friday but released Thursday by South Korea's finance ministry, that Asian countries should push ahead with structural reforms to increase efficiency.

"In those countries in Asia that have experienced a rapid accumulation of foreign exchange reserves, there is a need to make increased use of the scope for exchange rate flexibility and structural reforms to underpin domestic demand growth," he said.

The International Monetary Fund (IMF) said in a statement Wednesday that South Korea should allow the won's exchange rate "to be determined essentially by market forces" to help correct global imbalances.

Major industrial powers have been demanding greater flexibility in Chinese and other Asian currencies, which they claim have been kept artificially low so as to gain a trade advantage for their export-led economies.

Telekom Malaysia net profit rises 64pc

AFP, Kuala Lumpur

Telekom Malaysia's net profit soared 64 percent to 1.39 billion ringgit (366 million dollars) in calendar 2003 due to enhanced earnings from its cellular business.

Sales grew 20 percent year-on-year to 11.80 billion ringgit, primarily on its cellular segment, data and non-telecoms services, the Malaysian communications giant said.

The significant rise in cellular revenue was mainly due to the consolidation of Celcom Bhd, a subsidiary acquired in the second quarter of last year.

Pretax profit rose 18.3 percent year-on-year to 1.81 billion ringgit due to higher contributions from the cellular segment and one associate company.

On a quarterly basis, net profit rose to 499.76 million ringgit in the three months to December from 102.64 million a year earlier.

Fourth-quarter sales grew 2.8 percent to 499.76 million ringgit, while pretax profit increased 107.2 percent to 511.30 million ringgit.



PHOTO: STAR

Bangladesh Steel Mill Owners Association (BSMOA) General Secretary Masadul Alam speaks at a press conference jointly organised by BSMOA and Bangladesh Re-rolling Mills Association in Dhaka yesterday.

US can't close door to China goods: Zoellick

REUTERS, New York

US Trade Representative Robert Zoellick took aim Wednesday at growing protectionist sentiment against China, while insisting Beijing live up to the commitments it has made to open its markets.

Just (when) the Chinese are learning the win-win nature of trade, Americans should not forget how the idea works," the chief architect of the Bush administration's trade policy said in a speech to the Asia Society. "There is much at stake for both countries, and the world, in how China and the United States exercise power and responsibility."

With the US presidential election looming, President George W. Bush has been on the defensive because of the loss of some 2.6 million manufacturing jobs since he took office.

White House economic advisor Gregory Mankiw recently gave Democrats new ammunition to attack the administration's trade policies when he said the movement of some jobs overseas was proba-

bly deep for the US economy in the long run.

The manufacturing sector's struggle to climb out of a prolonged slump has focused congressional attention on China, which ran a record \$125 billion trade surplus with the United States in 2003.

Leading Democratic presidential candidate San. John Kerry of Massachusetts has faulted the Bush administration for not being more aggressive in dealing with China.

Zoellick painted a different picture of the trade relations with what the World Bank has said is now the world's second largest economy in terms of purchasing power.

He criticised Beijing for not honouring all the commitments it made when it joined the World Trade Organization in December 2001. But he also said Americans have benefited from being able to sell more products to the China, as well as from being able to buy low-priced Chinese goods.

"China is not another 'Japan Inc.' -- an export-driven machine that shunned imports and the participation of foreign business, China sells, but it also buys," Zoellick said.

However, he warned Beijing's failure to enforce copyright and patent protections on goods ranging from music CDs to manufacturing equipment threatens to subvert knowledge industries and innovation around the world.

"If we can make it, they can fake it," he said.

China also is using tax policies and product standards to unfairly block imports of semiconductors and wireless data products, Zoellick said, citing two other examples of where the country is not meeting its WTO commitments.

Zoellick, who visited Beijing on a recent nine-country trip to boost troubled world trade talks, said China had a special responsibility to help revive and conclude those negotiations because of its growing importance in the world economy.



PHOTO: STAR

Chittagong Chamber of Commerce and Industry (CCCI) President Amir Humayun Mahmud Chowdhury inaugurates a new model Hino passenger minibus, introduced by Navana Limited yesterday in Chittagong.