

## Poultry still smarting from flu scare

TAWFIQUE ALI

Bangladesh's poultry industry still struggles to recover from the huge loss caused by a drastic fall in price and sale of chicken following the bird flu scare.

Leading breeders put the loss at about Tk 500 crore in last one month following the outbreak of avian flu in some Asian countries.

Though the disease has not been reported anywhere in Bangladesh or neighbouring India, consumers got panicked and most of them stopped buying chickens, they said.

"The sale has declined to 30 percent," said Sayed Abu Siddique of Bangladesh Poultry Industries Association (BPIA).

The farms are still suffering loss as average price of a day-old chick has come down to Tk 10-12 from Tk 20-22 before the outbreak of bird flu.

Although retail price of broiler chicken has recovered in the meantime, the consumption level is yet to improve. The price was between Tk 60 and 65 per kg yesterday.

Siddique said more than 10,000 broiler farms have been closed down in Gazipur, Savar and other parts of the country following the business debacle. According to the BPIA, now the country has some 30,000 poultry farms.

A chick is usually consumed within five weeks but many of them remained unsold for even 60 days, farm owners said.

"As the price and sale of both

day-old chicks and broiler have dropped, the entire sector has suffered a serious blow, and it may not be able to recover the loss in near future," said Syed Monwarul Islam, general manager of Aftab Farms Ltd.

He apprehends that the current crisis might lead to a wholesale dropout of the micro-level entrepreneurs in the poultry sector.

Aftab Farms Ltd, one of the leading poultry farms, has been making efforts to bring a positive change in people's attitude and convince them of the fact that there is no bird flu in Bangladesh, Monwarul said.

Farm owners said it has been proved that some deaths from a mysterious virus in Rajbari have no

relation with bird flu.

The only means of transmitting bird flu virus is through parent stock and the government has imposed ban on its import from the affected and neighbouring countries.

Bangladesh Poultry Industries Co-ordination Committee refuted a report on bird flu in Laksam, Comilla carried in a Bangla daily February 24, saying that actually it was a different poultry disease called Ranikhet.

About bird flu, Director General of Bangladesh Livestock Research Institute Quazi M Emdadul Huque said, "It's a 100-year old disease. Out of many types of viruses, H5N1 avian flu virus transmits from one species to another."

## RMG accessories factory to be set up in Comilla EPZ

UNB, Dhaka

Bangladesh and Taiwan will jointly establish a garment accessories manufacturing factory in Comilla Export Processing Zone.

The company, Chaity-Ea Chen Textile (BD) Ltd, will invest \$840,000 for the factory.

This industry will annually produce 15 million yards of woven and non-woven interlining textile items and it will create employment opportunity for 50 Bangladeshi nationals.

An agreement to this effect was signed here between the Bangladesh Export Processing Zones Authority and the Chaity-Ea Chen Textile (BD) Ltd recently.

Member (Investment Promotion) of Bepza AFM Solaiman Chowdhury and chairman of the company Ou Daw Yi signed the agreement on behalf of their respective sides, said a release.

## StanChart, Uttara Motors sign MoU on car loan

Standard Chartered Bank recently signed a memorandum of understanding (MoU) with Uttara Motors Ltd, the sole distributor of Japanese Suzuki, Isuzu and Indian Maruti vehicles in Bangladesh.

Under the deal, customers purchasing vehicles from Uttara Motors will get a preferential rate of 13.5 percent for Maruti and 14 percent for Suzuki and Isuzu vehicles, if they apply for auto loan of the bank.

The successful applicants will also get a car cover with Standard Chartered Bank logo on it, says a press release.

Mashiul Haque Chowdhury, head of Secured, Standard Chartered Bank, and Kazi Emdad Hossain, executive director of Uttara Group of Companies, signed the deal on behalf of their organisations.

Other high officials of both the organisations were also present in the signing ceremony.

## Kallol Group becomes GP's corporate client

Kallol Group, a leading distribution company in Bangladesh, signed an agreement with GrameenPhone Limited (GP) to become GP's corporate client.

Anisul Haque, general manager (Sales and Marketing) of Kallol Group, and Kafil HS Mueyed, general manager, Sales and Marketing Division of GP, signed the agreement on behalf of their organisations recently in Dhaka, says a press release.

Among others, Ghulam Mostafa, managing director, and Golam Kabir, HR advisor of Kallol Group, and Tanvir Ibrahim, head of Sales Department, Mir Rashedul Hossain, deputy manager, Corporate Sales of GP, were present.

## Qatar Airways takes celebrity for promotion

Qatar Airways has rode on celebrity image to promote the fast-growing airline of the Gulf region.

As part of the social commitment to the Gulf region, Qatar Airways brought Mariah Carey, one of the world's best known female artiste, to Dubai.

The US singer performed live in Dubai on February 26 as part of her 'Charm Bracelet' world tour, which was the second major concert sponsored by the Qatar's national flag carrier in Dubai, says a press release.

Re-launched it operation in 1997, Qatar Airways now covers 48 destinations worldwide and likely to increase to 60 by 2005.

## S'pore bank lending eased

REUTERS, Singapore

Bank lending in Singapore dipped slightly in January after rising for nearly a year as lending to the manufacturing and transport sectors fell, central bank data showed Saturday.

The decline came despite signs that Singapore's \$95 billion economy is recovering, growing at a 11 percent annualised rate in the three months through December after adjustment for seasonal patterns.

Outstanding loans totalled S\$171.3 billion (\$102 billion) in January, down from S\$171.4 billion in December, the Monetary Authority of Singapore said in its monthly statistics bulletin.

Analysts said it was too early to determine a trend in the data, with January usually a bit soft because of the festive season.

## New insurers miss 3-year deadline to go public

### Companies want amendment to insurance law

M ABDUR RAHIM

Thirty-eight new generation insurance companies have missed the three-year deadline for going public in accordance with the insurance act.

According to the Bangladesh Insurance Association (BIA), 25 general and 13 life insurance companies have defaulted on the legal provision.

The companies are legally bound to offer shares for public subscription for a total amount of Tk 2.835 billion as they have already passed three years in business.

However, the insurers shy away from initial public offering (IPO), for 'poor market situation' in the country, industry sources said. The companies want amendment to the insurance act and extension of the deadline.

Besides, a one-time penalty of Tk 10,000, the defaulter companies are counting Tk 1,000 in fine every-

day after passing their respective deadline, officials at the Department of Insurance (DoI), regulators of the sector, said.

DoI officials said though many of these companies have been making robust business, they are reluctant to go public citing a host of reasons.

"We have cautioned them repeatedly, but the companies said they still need time to reach the breakeven point," said a DoI official. "We see some of these companies have achieved impressive growth in business."

Insurance company officials however said the three-year deadline set for going public does not reflect the present reality.

"Under the present circumstances, with more than sixty companies operating in a competitive market, it is impossible to reach breakeven point in three years' time, let alone making profit," a high official of a defaulted company said.

He said the companies have nothing to do other than paying fines to the government until they improve their position. "So, the government should review the insurance law and amend it according to present market circumstances."

A source in the BIA said it would be very difficult for the market to absorb the huge volume of shares if these companies, most of which were launched almost simultaneously, float IPOs at the same time.

SEC Executive Director Mansur Alam said the Securities and Exchange Commission has nothing to do with the deadline failure. The regulatory body of insurance is the appropriate authority to take action against the companies.

"When proposal for IPO issuance will be tabled, SEC will screen and evaluate whether the companies be allowed or not."

## Ecneec okays 8 projects involving Tk 1,688cr

BSS, Dhaka

The Executive Committee of the National Economic Council (Ecneec) yesterday approved eight projects with an outlay of about Tk 1,688 crore including project aid of Tk 675 crore.

The approval was given at a meeting of the Ecneec held at Bangladesh-China Friendship Conference Centre with Prime Minister and Ecneec Chairperson Khaleida Zia in the chair.

The projects include establishment of Poet Nazrul University, construction of embankment along Meghna-Tentulia river belt at Daulatkhan, installation of

Ashuganj-Monohardi gas transmission line and setting up of 2x120 MW Siddhirganj Power Plant.

The other approved projects are development of power distribution in five towns, expansion, modernisation and construction of second floor of the passenger terminal building at Sylhet Osmani International Airport, procurement of 50 metre gauge and 50 broad gauge passenger coaches and procurement of 96 metre gauge tank wagons and four break vans for Bangladesh Railway.

Finance and Planning Minister and alternative chairperson of Ecneec M Saifur Rahman, LGRD and Cooperatives Minister Abdul Mannan Bhuyian, Health and

Family Welfare Minister Khandkar Mosharraf Hossain, Industries Minister Motiur Rahman Nizami, Communications Minister Nazmul Huda, Agriculture Minister MK Anwar, Post and Telecommunications Minister Barrister Aminul Hoque, Water Resources Minister Hafizuddin Ahmed Bir Bikram, Education Minister M Osman Faruk, State Minister for Finance and Planning M Anwarul Kabir Talukder, State Minister for Energy and Mineral Resources AKM Mosharraf Hossain and State Minister for Power Iqbal Hassan Mahmood attended the meeting.

## WTO chief sees substantial progress in trade talks by Jul

REUTERS, Washington

The head of the World Trade Organisation said Friday that world trade talks appear to have recovered from their collapse six months ago in Cancun, Mexico, and could make substantial progress by July.

A letter from US Trade Representative Robert Zoellick in January urging WTO members to re-engage in negotiations came just "at the time we needed this stimulus," WTO Director General Supachai Panitchpakdi told reporters.

Senior officials from WTO member countries could be invited to Geneva in April to try to resolve differences on agriculture and other issues that blocked agreement on a final negotiating framework in Cancun, Supachai said.

WTO members also are considering Zoellick's idea of expanding

the July meeting of the WTO General Council by inviting trade ministers to attend.

The session would not be a formal "ministerial" meeting, such as the gathering in Cancun. But it would provide a forum for countries to make the difficult decisions that require direct input from capitals.

Supachai said he would withhold judgement until after the July meeting about whether a final deal can be reached by the long established Jan 1, 2005, deadline.

"By that time, we should know what needs to be done to finish the round by the end of the year," he said.

EU Trade Commissioner Pascal Lamy told reporters at a separate briefing that he also was optimistic that significant progress could be made in the next several months.

He urged WTO members to finish work on the framework agreement by May so they could begin filling in the

details of a final pact this summer.

Lamy met with Zoellick on Friday to discuss the WTO talks and other trade issues. He said he was hopeful of reaching a compromise with G20 countries, led by Brazil and India, on agricultural issues that blocked an agreement in Cancun.

"We've engaged in extremely detailed technical discussions (with the G20) ... on each and every area of the agricultural negotiations" in an effort to find common ground, he said.

WTO members also have to decide how to handle the four so-called Singapore issues, which were another stumbling block in Cancun.

The EU still wants to negotiate new agreements on government procurement and customs clearing procedures as part of a new world trade pact. But it has dropped similar demands for investment and competition.

## Bank holiday on Tuesday

UNB, Dhaka

Bangladesh Bank and all scheduled banks will remain closed on March 2 (Tuesday) on the occasion of holy Ashura, said a press release issued by the central bank.

## ICAB seminar on Saarc economic integration today

A seminar on 'Saarc Regional Economic Integration' will be held at the Institute of Chartered Accountants of Bangladesh (ICAB) auditorium in Dhaka today.

Commerce Minister Amir Khosru Mahmud Chowdhury will be present as the chief guest while former deputy prime minister Jamal Uddin Ahmad and Commerce Secretary Suhel Ahmed Chowdhury as special guests at the seminar organised by ICAB.

Former president of ICAB Anwaruddin Chowdhury will present the keynote paper. President of American Chamber of Commerce in Bangladesh Aftab ul Islam will be the session chairman, says a press release.

## Emirates posts 10pc passenger growth for Dubai Shopping Festival

Emirates has achieved a 10 per cent increase over last year in its special packages sales for just concluded Dubai Shopping Festival 2004.

The airline's promotion of the annual festival is a part of its ongoing promotion of Dubai city, says a press release.

The airline has boosted tourism into the Emirate in every destination that has come on line since operations began in 1985.

The airline now serves 74 cities in 52 countries in four continents and its promotion of Dubai city has gathered pace as the network has expanded.

## US jobs 'pop' possible soon: Greenspan

REUTERS, Stanford, Calif

Federal Reserve Chairman Alan Greenspan said on Friday strong economic growth should soon produce more jobs but he warned U.S. manufacturers they should not count on a Chinese currency revaluation being a major boon for them.

"Very sluggish" US job growth would pick up when exceptional strong rates of productivity, or output per worker, slowed and that may be occurring, Greenspan said in answer to questions following an address to the Stanford Institute for Economic Policy Research.

"I would say that we could get a pop in employment almost any time," Greenspan said, since the economy had been growing rapidly enough that companies cannot indefinitely boost output with existing workforces.

"Job creation occurs when you no longer can dip into the system of potential productivity advances to substitute for labour," Greenspan

said, adding "My own judgement is that at some point that is almost certainly going to happen, indeed it is conceivable it may be happening now."

The dearth of new U.S. jobs, despite a growing economy, has become a major issue in the run-up to November presidential elections, with Democrats hammering the Bush administration for overseeing a jobless recovery from the 2001 recession.

Audience members pressed Greenspan for his opinion on the impact of any change in China's practice of pegging its yuan currency at about 8.28 per dollar -- something the Bush administration is pressing Beijing to do.

The Fed chief suggested the effect of broadening the trading band for the yuan or moving quickly to a floating exchange rate was largely unknown because it wasn't even clear "what the extent, if any, of the undervaluation" is of China's yuan.

US manufacturers claim it is

undervalued by as much as 40 percent, and say that gives China an unfair trade advantage by making its products cheaper for Americans.

But Greenspan said that it was unclear what would happen if Beijing removed its controls on capital flows.

"The one thing I'm reasonably sure of, however, is that if the value of the Chinese currency does rise, which I think is a fairly reasonable expectation.... it is not going to shut down exports from China to the United States, which will then be replaced by US production," Greenspan said.

"Almost surely, what will happen is that you will move the supply of goods that the Chinese were shipping to the United States from China to other low-cost producers, probably in Southeast Asia," Greenspan said, adding that the Philippines or Vietnam could easily step in.

In Beijing, China's central bank could not immediately be reached for comment.



PHOTO: INTERSPEED

Mashiul Haque Chowdhury, head of Secured, Standard Chartered Bank, and Kazi Emdad Hossain, executive director of Uttara Group of Companies, sign a memorandum of understanding (MoU) on behalf of their organisations recently. Under the deal, customers purchasing vehicles from Uttara Motors Ltd will get a preferential interest rate on auto loan provided by the bank.



PHOTO: STAR

Owners keep shutters of their shops down during yesterday's nationwide dawn-to-dusk strike that affects economic activities. The picture was taken from Gulistan area in Dhaka.