

Intensify campaign to tap Australian duty-free access

High commissioner urges Bangladesh at MCCI meet

STAR BUSINESS REPORT

Bangladesh can boost exports to Australia through intensified trade campaign taking the advantage of duty free access granted by the Pacific country, Australian envoy said in Dhaka yesterday.

"Bangladesh can engage its trade mission in Canberra to explore market for local products what Australian Trade Commission (Austrade) does for Australian products and services here," High Commissioner Lorraine Barker said.

Australian buyers are unaware of Bangladesh products and their quality, she said. So, Bangladesh has to build up positive image to convince Australian buyers, she told a meeting with members of Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI).

Appreciating the Export

Promotion Bureau (EPB) for its initiatives to organise Bangladesh Trade Show scheduled for April 6-8 in Sydney, she said the fair will provide a good chance for Bangladesh to woo Australian customers.

Export from Bangladesh is increasing since Australia gave duty free market access with effect from July 1, 2003 and it can grow more if Bangladeshi companies can project their products properly, Barker said.

Personal contacts, meeting with Australian business community can boost Bangladesh's export to Australia, she said.

About insignificant investment, she said Australian companies want enabling environment to make investment decision in Bangladesh.

Australian mineral sands mining company International Titanium Resources (ITR) invested

about \$540 million in Cox's Bazar in 2001 which is Australia's single largest investment in Bangladesh.

The 2002-2003 volume of Bangladesh exports to Australia is about \$36.71 million with chemical fertiliser, garments, leather, jute goods, ceramics, handicrafts and frozen foods being the major items. Major Australian exports to Bangladesh during the period include edible vegetables, pulses, oilseeds, oil, dairy products and medicine worth \$180.31 million.

Addressing the meeting, MCCI President Kutubuddin Ahmed said the purpose of duty free facility will continue to remain largely unfulfilled if the requisite flow of Australian investment is not ensured.

The duty free market access with requirement of 25 percent local value addition coupled with cheap production cost in Bangladesh should encourage

Australian business community to invest in Bangladesh, he said.

He said readymade garments (RMG) constitute only 4.58 percent of total export to Australia. "As RMG is the main export item of Bangladesh, we must find the Australian apparel market to boost exports," he said.

Kazi Mahmood Sattar, Holiday Committee member of MCCI, said even in a civil war like situation Australia is the largest investor in Sri Lanka but its investment is so insignificant in Bangladesh though law order situation is not as bad as it is in the island country.

Former president Tapan Chowdhury, Committee members Rokia A Rahman, A Hafiz Chowdhury, Secretary-General CK Hyder and Senior Trade Representative of Austrade Minhaz Chowdhury, were, among other present.

Zafar reinstated as chairman of UCBL

UNB, Dhaka

Zafar Ahmed Chowdhury was reinstated as chairman and director of the United Commercial Bank Limited (UCBL) after the High Court yesterday stayed Bangladesh Bank's order on his removal from the posts.

On February 26 this year Bangladesh Bank removed Chowdhury on charge of violating 'banking rules'.

The court order came upon a writ filed by Chowdhury challenging the validity of the Bangladesh Bank (BB) order.

After hearing both the sides, a division bench comprising Justice Shah Abu Nayeem Mominur Rahman and Justice Abdus Salam Mamun stayed BB's removal order till disposal of appeal pending with it.

First national furniture fair in August

The first ever 'National Furniture Fair' will be held at the Bangladesh-China Friendship Conference Centre in Dhaka in August this year.

An agreement to this effect was signed between Bangladesh Furniture Industries Owners' Association (BFIOA) and Communi-care Events, an event management company, in Dhaka on Monday, says a press release.

BFIOA Chairman KM Aktaruzza-man and Secretary General Selim H Rahman and Communi-care Events Managing Partner Mehede Hassan signed the agreement on behalf of their respective organisations.

Under the deal, Communi-care Events will publish a directory on the country's furniture industry in June this year. The organisation will also publish such directories for another two years.

STB launches campaign to promote S'pore culture, tradition

The Singapore Tourism Board (STB) has launched a campaign 'Uniquely Singapore' to promote the city state's tradition, culture and modernity.

The campaign captures the total Singapore experience and Singapore's distinct proposition as a country that has merged the best from rich cultures and modern worlds, contemporary sophistication and colourful traditions, says a press release.

The new brand will differentiate Singapore as a premier destination, offering a unique spectrum of enriching experiences for visitors and locals alike -- from traditional cultural experiences to cutting-edge modern arts performances -- all delivered with a high level of service quality, reliability and efficiency.

The launch of the "Uniquely Singapore" brand comes shortly after the announcement that visitor arrivals to Singapore hit more than 6.1 million, exceeding the STB's target of 6 million visitors.

STB hopes the campaign will help Singapore achieve its target of 7.6 million visitors for 2004, an 24 percent increase from 2003.



Australian High Commissioner to Bangladesh Lorraine Barker (4th from left) addresses the members of Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI) yesterday at the Chamber Conference Hall. Kutubuddin Ahmed (4th from right), president, MCCI, is also seen in the picture.

RMG needs supports from banks, port

City University seminar told

STAR BUSINESS REPORT

Country's garment industry will be able to cope with the post-MFA (multi-fibre arrangement) competition if the local manufacturers get necessary supports and services from banks and ports, a seminar was told in Dhaka on Tuesday.

Commerce Minister Amir Khosru Mahmud Chowdhury observed in the discussion that the industry needed improvements in the areas like bank interest rates, shipping costs and goods handling at the ports to attain competitiveness.

The minister, however, said the readymade garment (RMG) manufacturers and exporters should not be worried about the post-MFA fallout as they have adequate skilled workforce to stand firmly against the competitors.

"We have two million skilled workers in this sector, 85 percent of whom are women and they have the ability to drag the industry after MFA phase out," he said dispelling

the concerns about the sustainability of the sector.

Khosru, the businessman turned politician also expressed his confidence in the new generation entrepreneurs of the country who are in his words 'more energetic and enthusiastic' than those in any countries in the world.

Ashrafuddin Choudhury, professor of economics at the Dhaka University, presented the keynote paper on International Competitiveness of Bangladesh Garment Industry at the discussion organised by City University, a private university.

Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) President Abdul Awal Mintoo and Bangladesh Garment Manufacturers and Exporters Association (BGMEA) President Anisul Huq also took part in the discussion.

The BGMEA president said an acceptable lead-time of export and competitive price of products will

play important role for the country's RMG industry to retain market in the post-MFA era beginning from next year.

Huq stressed the need for setting up of a central bonded warehouse, simplified rules of origin of EU and duty free access to the US market to promote the RMG sector which fetches three-fourth of the total export earnings.

The FBCCI president laid emphasis on business environment and said the present situation of the country is 'not conducive' for business. "How one can expect productive economy in such a chaotic society?" questioned Mintoo.

He said everyone in the business community and the government itself wants reduction of the bank interest rates but there is nobody to implement the work.

City University Chief Advisor Mizanur Rahman Shelley chaired the discussion while Vice-chancellor M Shamsul Haque also spoke.

Wills lauds Bepza role in establishing TU right in EPZs

Visiting Assistant US Trade Representative for South Asia Ashley Wills yesterday lauded the role of Bangladesh Export Processing Zones Authority (Bepza) to establish workers' right to association in the EPZs.

Expressing satisfaction, Wills said trade union right in the EPZs (export processing zones) will help the workers enjoy collective bargaining.

The visiting US official called on Bepza Executive Chairman Zakir Hossain, says a press release. US Ambassador Harry K Thomas accompanied Wills.

Wills said Bangladesh can enjoy more benefit from the US in GSP (Generalised System of Preferences) by diversifying its exports.

Bangladesh's aquaculture, vegetables and other agricultural products have potential in the US market, added Wills.

Concluding ceremony of Ctg int'l trade fair today

CU CORRESPONDENT

The concluding ceremony of the 12th Chittagong International Trade Fair (CITF) will be held today.

However, the duration of the CITF, organised by Chittagong Chamber of Commerce and Industry (CCCI), has been extended till March 21.

The CCCI took the decision following request from visitors and participants.

Law and Parliamentary Affairs Minister Moudud Ahmed will attend the concluding programme at the fair venue at 11am. State Minister for Civil Aviation and Tourism Mir Mohammed Nasir Uddin and Thai Ambassador to Bangladesh Phitak Phromubpha will also be present at the function.

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

IDLC signs deal with CDBL for share trading under CDS

Industrial Development Leasing Company (IDLC) of Bangladesh yesterday signed an agreement with the Central Depository Bangladesh Limited (CDBL) for scripless settlement of its share trading, says a press release.

Under the deal, IDLC's paper shares will be converted into electronic ones to facilitate secure, prompt and easy settlement of trading under central depository system (CDS).

The agreement was signed by IDLC CEO and Managing Director Anis A Khan and CDBL Managing Director and CEO MH Samad at the CDBL office in Dhaka.

IDLC is the third among the listed companies to sign the deal with the CDBL.

SP Fashions 1st successful BFS applicant of StanChart

Standard Chartered Bank has approved an overdraft facility to SP Fashions Ltd, the first successful applicant of its business financial services (BFS).

Uttam Kumar Saha, director of SP Fashions, received the banking arrangement letter on behalf of his organisation from M Sajidur Rahman, head of Consumer Banking, Standard Chartered Bank, Bangladesh, at a function in Dhaka recently, says a press release.

Among others, Subroto Som, regional head of Consumer Banking, Middle East & South Asia, Standard Chartered Bank, and Masihul Haque Chowdhury, head of Secured, Standard Chartered Bank, Bangladesh, were present.

The overdraft facility came under the BFS, which was recently launched by the bank in Bangladesh to cater to the needs of the small and medium enterprises (SMEs).

Other services offered under BFS include business loan, export-import related trade services and guarantee.

HSBC opens Amanah branch in Dhaka

First foreign bank to launch Islamic banking

STAR BUSINESS REPORT

The Hongkong and Shanghai Banking Corporation Limited (HSBC) has become the first foreign bank in Bangladesh to launch an Islamic banking branch.

Brian G Fredrick, head of international of the HSBC Asia Pacific, formally inaugurated the 'HSBC Amanah Branch' at Gulshan in Dhaka yesterday.

Imran Ashraf Usmani, member of HSBC Shariah Supervisory Committee, Mohamed Ross from HSBC Amanah Malaysia, Faisal Qadri from Amanah UAE, and David H Griffiths, CEO of HSBC in Bangladesh, were present at the launching ceremony.

Ashraf Usmani said the products and services to be offered by the branch will be fully compliant with HSBC Shariah committee guidelines.

"All Amanah products will be in accordance with strict guidelines, which prohibit earning or giving interest or Riba and making investments, which are not in strict compliance with the Shariah," he said.

"The launch of these Shariah compliant products reflects our strategy of being the world's local bank. We are able to use our local expertise together with our local understanding to introduce such services," said Fredrick.

HSBC Amanah is the Islamic financial services division of the HSBC Group. Headquartered in Dubai, HSBC Amanah offers its services in London, New York, Brunei, Riyadh, Kuala Lumpur and Jakarta.

HSBC was recognised as Best International Provider of Islamic Financial Services and Best International Sukuk House in Euromoney's 2003 Islamic Finance Awards.

Established in 1865 and headquartered in London, HSBC's international network comprises 9,500 offices in 79 countries and territories in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa.

Ecneec okays eight projects involving Tk 12,869cr

UNB, Dhaka

The Executive Committee of National Economic Council (Ecneec) yesterday approved eight development projects with an outlay of Tk 12,869 crore, including Tk 4240 crore in project aid.

The approval was given at an Ecneec meeting held at the NEC auditorium with Prime Minister and NEC Chairperson Khaleda Zia in the chair, said an official release.

The projects include Improved PIP of Health, Nutrition and Population Sector Project (HNPPS) under Health and Family Welfare Ministry, modernisation of nuclear treatment centres in Sylhet, Chittagong, Rajshahi and Dinajpur under Science and Information & Communication Technology

Ministry, construction of a 150-megawatt combined cycle power station in Haripur and National Load Dispatch Centre, and improvement of power transmission system in 10 towns under Power Department.

The projects also include establishment of international telecommunication system through submarine cable (revised), launching of 2.5 lakh T&T mobile phones (first phase, revised) under Telecommunications Ministry and construction of a new bridge over the Surma river and Amberkhan bypass (revised) under Communications Ministry.

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Minister Dr Khandaker Mosharrif Hossain, Industries Minister Matiar Rahman Nizami, Communications Minister Barrister Nazmul Huda, Agriculture Minister MK Anwar, Post and Telecommunications Minister Barister Aminul Haque, Education Minister Dr Osman Faruk, Science and Information & Communication Technology Minister Dr. Abdul Moyeen Khan, State Minister for Finance Anwarul Kabir Talukder and State Minister for Power Iqbal Hasan Mahmud attended the meeting.

Principal secretary to the prime minister, planning secretary, members of the Planning Commission, secretaries of the ministries concerned and senior officials were present in the meeting.

China to probe US plan to lodge complaint with WTO

AFP, Beijing

China said Wednesday it was investigating reports of US plans to file the first formal complaint to the World Trade Organization against China since it became a member two years ago.

An official with the commerce ministry in Beijing said he was consulting other departments after reports emerged that a US complaint will allege China is offering unfair tax breaks to its semiconductor makers.

"We're trying to better understand this issue," he said, speaking on condition of anonymity.

International semiconductor companies have been complaining for some time about a Chinese practice of granting tax rebates of up to 14 percent to local chip manufacturers.

For a trading partner to lodge a formal complaint with the WTO would mark a departure from the soft-softerly approach which has been the preferred tactic since China's accession to the trade body in December 2001.

"The question is, who's going to do it first?" an EU official in Beijing

said. Anne Stevenson-Yang, managing director of the US Information Technology Office, a non-government trade group, said the Chinese government is unfairly pricing semiconductor through the rebate policy.

"The industry very much hoped to settle this quietly," she said, adding she could not confirm the reports formal action was imminent.

"No one wants a trade action, but the industry is concerned about the tax... and hasn't had a response from the Chinese government about whether it will be changed or not."

Robert Zoellick, the US trade representative, told Congress last Friday that China is adopting discriminatory tax policies, especially in the semiconductor industry, and that these violate WTO rules.

"(The United States) will not hesitate to take action to enforce trade rules," he said.

The latest spat comes amid sharply rising trade tensions between the United States and China.

M Al-Meshal to market Radhuni, Ruchi products in Kuwait

M Al-Meshal of Kuwait has become an agent of Square Consumer Products Limited to market all products of Radhuni and Ruchi brands in Kuwait.

An agreement to this effect was signed recently between the two companies, says a press release.

Anjan Chowdhury, managing director of Square Consumer Products, and Mohammed Ali, chairman of M Al-Meshal Est signed the agreement.

Among others, SK Das, director of Square Consumer Products, Ashraf Haque, marketing manager of the company, and Abdul Malek, sales manager of M Al-Meshal Est, were present.

AP opens new branch in Khulna

AP (Dhaka) Limited, an unani and ayurvedic medicine, herbal cosmetics and food producing company, opened a new branch recently in Khulna.

Principal of Khulna Unani Medical College M Ashraf Hossain and Director of Health, Khulna division, Abul Kashem were present at the function.

Chairman of the company Raquib Md Fakhruddin presided over the function, says a press release.



Brian G Fredrick, head of international of HSBC (Hongkong and Shanghai Banking Corporation) Asia Pacific, cuts a ribbon to inaugurate HSBC Amanah, the Islamic banking branch, at Gulshan in Dhaka yesterday as David H Griffiths (4th from left), chief executive officer of HSBC Bangladesh looks on.