

Develop infrastructure or face tough post-MFA era

US envoy warns Bangladesh at dialogue

STAR BUSINESS REPORT

US Ambassador in Dhaka Harry K Thomas yesterday cautioned Bangladesh about a hard time in the post-MFA (multi fibre arrangement) era unless it develops infrastructure and eliminates corruption.

"The post-MFA period would be very sad for Bangladesh if it does not improve infrastructure, eliminate corruption and set up more modern ports and airports," he said addressing a dialogue on Bangladesh's survival in a quota-free regime.

The Centre for Policy Dialogue (CPD), Citibank NA Bangladesh and Bangladesh Garment Manufacturers and Exporters Association (BGMEA) jointly organised the dialogue at Dhaka Sheraton Hotel.

Commerce Minister Amir Khosru Mahmud Chowdhury, BGMEA President Annisul Huq and

CEO of Citibank NA Mamun Rashid, along with leading apparel exporters, bankers, economists, workers' leaders and other professionals participated in the dialogue. CPD Research Director Mustafizur Rahman presented the keynote paper.

The US envoy however expressed hope for Bangladesh's success in a quota free regime by taking some policy measures. "Bangladesh has the capacity to achieve success but you have to further improve your infrastructure and power," he suggested.

The discussants demanded massive cut in interest rates on bank loans for garment exporters, setting up of central bonded warehouse and other policy measures for increasing the competitive edge of local products.

The BGMEA president demanded government steps for promotion of readymade garment industry after complete phase out

of MFA. Only a strong policy of the government can protect several hundred garment factories from closure, he said.

Huq said the garment sector entrepreneurs need fund at lower interest rate to face the post-MFA challenges.

The BGMEA chief said the buyers have confidence in Bangladesh and they are coming with more orders.

The commerce minister assured all sorts of policy support from the government to the apparel sector for its survival in a quota free regime. He said the government already took initiatives to get quota free access from developed nations.

A number of countries like Canada, Australia, New Zealand and Japan have provided Bangladesh goods with duty free access, he said, adding, "Now we are trying to get similar facilities from developing nations like India

and Pakistan."

Responding to the demand of setting up a central bonded warehouse, Khosru said it could be set up after getting approval from the finance ministry.

CPD Research Director Mustafizur Rahman in his paper explained both the advantages and disadvantage of the country in a quota free regime. China will be the main competitor of Bangladesh products in the free market, he forecast.

Explaining various advantages like cheap labour force and big export volume he hoped that the country would succeed and even would be able to expand its market after phasing out of quota regime.

Among others, CPD Executive Director Debapriya Bhattacharya, Prof Abu Ahmed of Dhaka University, GM Kader MP Anwarul Alam Chowdhury, Anisul Islam Mahmud, Shirin Akhter took part in discussion.

Five SoEs handed over to private sector

BSS, Dhaka

Privatisation Commission formally handed over five state-owned enterprises (SoE) to private entrepreneurs at a function held at its conference hall here yesterday.

The SoEs are Kaliachapra Sugar Mills Limited in Kishoregonj, Bangladesh Oil Mills and Fish Export in Khulna, Lira Industrial Enterprises Limited in Tongi and Bangladesh Monospool Paper Manufacturing Company Limited in Demra, an official press release said.

Industries Minister Matiur Rahman Nizami handed over necessary documents to the new owners of the SoEs.

Chaired by Privatisation Commission Chairman Enam Ahmed Chowdhury, the function was also addressed, among others, by Industries Secretary Shoab Ahmed and member of the commission Nazmul Ahsan Chowdhury.

Meanwhile, 30 percent share of Bangladesh Moonspool Paper Manufacturing Company Limited owned by the government was sold out to the general investors in the share market through Investment Corporation of Bangladesh (ICB), the press release said.

The five already handed over SoEs are among the total 11 units privatised by the present government.



US Ambassador in Dhaka Harry K Thomas, right, speaks at a dialogue jointly organised by Centre for Policy Dialogue (CPD), Citibank NA and Bangladesh Garment Manufacturers and Exporters Association (BGMEA) at Dhaka Sheraton Hotel yesterday. Commerce Minister Amir Khosru Mahmud Chowdhury, 2nd from left, Commerce Secretary Suhel Ahmed, 4th from left, BGMEA President Annisul Huq, left, Citibank NA CEO Mamun Rashid, 2nd from right, and CPD Executive Director Debapriya Bhattacharya, 3rd from left, are also seen at the picture.

Govt mulls appointment of 'tax ombudsman'

Law minister tells Ctg trade fair closing ceremony

STAFF CORRESPONDENT, Ctg

Law, Justice and Parliamentary Affairs Minister Moudud Ahmed yesterday said the government will actively consider appointing a 'tax ombudsman' and bringing in a change in the tax payment system to make it easier.

The law minister was addressing the closing ceremony of the month-long 12th Chittagong International Trade Fair (CITF) at Polo Ground here.

Lauding the role of the fair organiser-- Chittagong Chamber of Commerce and Industry (CCCI) -- the minister hoped that the exposition will significantly contribute to the economic develop-

ment. Thai Ambassador to Bangladesh Phitak Phrombubpha also addressed the ceremony as the special guest. CCCI President Amir Humayun Mahmud presided over the function.

Addressing the ceremony, Thai envoy said as Bangladesh produces quality goods businessmen here can tap the duty-free access to Thai market.

Earlier, CCCI president said the present board of directors of CCCI is committed to turning Chittagong chamber into a "Mini Economic Parliament".

The minister also said the con-

struction of the third bridge over the river Karnaphuli will be completed within the tenure of the present government.

Later, the minister gave away the prizes among the participating entrepreneurs.

The Best Mega Pavilion Award went to Abul Khaer Condensed Milk, Best Mini Pavilion Award went to Lever Brothers Bangladesh Limited while PHP Group bagged Special Award for standard pavilion.

In the category of the general pavilions, RB Group (Walton) got the Best Pavilion Award while Bexi Fabrics and Aramit Group got the second and third prizes.

StanChart opens new ATM booth at Gulshan

Standard Chartered Bank has opened a new ATM booth at Gulshan in Dhaka.

Mustafizur Rahman, an account holder of Standard Chartered Bank since 1964, inaugurated the new booth, says a press release.

Among others, SAA Masrur, acting CEO of Standard Chartered Bank, Bangladesh, M Sajidur Rahman, head of Consumer Banking, and Tanvir Haider Chaudhury, head of Shared Distribution of the bank, were present.

Including the new one, the bank has now 24 ATMs located in Dhaka, Chittagong, Sylhet, Khulna, Narayanganj and Bogra.

Baraka Ltd, Ifad Enterprises sign deal

Baraka Limited, the sole distributor of Servo brand lube oil of Indian Oil Corporation Limited (IOCL) in Bangladesh, and Ifad Enterprises, sole distributor of Elgi Equipment Limited, signed a tie-up agreement for exclusive supply of Servo-Elgi Air Lube in Bangladesh.

Group Vice-president of Baraka Limited A B M Badrul Amin and Executive Director of Ifad Enterprises Tanveer Ahmed signed the agreement recently in Dhaka on behalf their organisations, says a press release.

Among others, A N Jha, senior manager of IOCL, was present.

Servo-Elgi Air Lube is a tailor made product of IOCL for screw compressors application.

CeBIT high-tech fair opens in Hanover

AFP, Hanover, Germany

The world's biggest high-tech trade fair, the CeBIT, opened its doors Thursday to showcase the latest wizardry that will transform the future of business and fun.

This year's event, running to March 24 in the northern German city of Hanover, is expected to draw more than 500,000 visitors and mark a new beginning for an industry that has been hobbled since the "new economy" bubble burst in 2000.

The focus is on next generation mobile phone services known as UMTS, warp-speed Internet connections that will allow real-time viewing of films and the melting together of home computers and television sets into powerful, versatile machines.

More than 6,000 companies from 64 countries have arrived in Hanover to display the wares they say will capture the imagination of consumers.

After three dismal years, the global telecommunications and computer industries have forecast 4.3 percent growth in sales to 2.16 trillion euros (2.65 trillion dollars) in 2004 and another six percent boost in 2005.

At an inaugural gala late Wednesday, German Chancellor Gerhard Schroeder said Europe was looking to drive economic growth and innovation to fresh investment in research and development.

Raise tariff, non-tariff barrier issue at FTA talks with India

Agro-based food exporter urges govt

STAR BUSINESS REPORT

A leading agro-based food producing company yesterday urged the government to negotiate with its Indian counterpart to remove the tariff and non-tariff barriers imposed by India on Bangladeshi food and agro-based products.

Chief Executive of Pran Group Amjad Khan Chowdhury at a press conference in Dhaka called upon the government to raise the issue in the upcoming FTA (free trade agreement) talks with India, slated for New Delhi on March 23-24.

"These obstacles should be removed immediately through negotiation," Chowdhury, a retired major general, said, "India is a big market for Bangladeshi products especially for food items and it is possible to capture the market."

The Pran Group chief said the tariff and non-tariff barriers are hindering the promotion of trade between the two neighbouring countries.

He listed some of the barriers including excess duty on Bangladeshi products, compulsory testing of each food item of every consignment and taking approval of the Bureau of Indian Standards (BIS) for bottled drinking water.

Dissimilarities between Bangladeshi and Indian food laws and difficulties in getting multiple entry visa for Bangladeshi truckers carrying exportable food items are also putting obstacles to the exports to India, he said.

The Pran chief executive said the food laws of Bangladesh and India should be harmonised as early as possible. "A period of two years may be given to complete this harmonisation process if it could not be done earlier."

The press conference on the role of Pran in promoting exports was organised on the occasion of the group's 24th corporate day.

Making a multimedia presentation Khurshid Ahmed Farhad, manager (export) of Pran, said in

addition to paying import duty, special additional duty and countervailing duty, an Indian importer has to pay 12-16 percent sales duty on Bangladeshi agro-based products.

He said the Indian customs procedure is very complex and time consuming.

Pran has set its export target at \$3 million for this year. It exported food and agro-based products worth \$1.32 million in 2002-03 to a total of 54 countries in the Americas, Europe, Africa and Asia.

Fruit juice, fruit drinks, pickles, canned fruits and vegetables, mustard oil, mineral water, spices, tomato ketchup, candies, mustard oil, snacks, tea, jam, jelly, chewing gum, molasses, sauce are among the products of Pran.

Pran Group Deputy Managing Director Ahsan Khan Chowdhury and General Manager (Marketing) Chowdhury Kamruzzaman Kamal were present at the press conference.



Chief Executive of Pran Group Amjad Khan Chowdhury speaks at a press conference on 'The Role of Pran in Promoting Exports' organised in Dhaka yesterday to mark the 24th corporate day of the group.

SIGNING OF FTAS

Thai senators urge govt to seek parliamentary nod

ANN/ THE NATION

A group of senators yesterday urged the Thai government to seek parliamentary approval for the signing of free-trade agreements (FTAs) as the deals would compel changes in Thai law and have impacts on Thai sovereignty.

Niran Phitakwachara, chairman of the Senate Committee on Social Development and Human Security, said that the FTA negotiation could have impacts on many social sectors and compel the alteration of Thai laws.

In compliance with the Article

214 any activities that would cause any affects on Thai sovereignty would need to ask for endorsement from the parliament, he said, adding that the US had a domestic mechanism that the congress must be notified before the administration begins any FTA negotiation.

The Senate Committee on Foreign Affairs, chaired by Kraissak Choonhavan, yesterday summoned chiefs of FTA negotiation teams to clarify the progress of FTA negotiation.

Many senators strongly criticize the government's rush and non-transparent handling of free-

trade-agreement negotiations, saying the deal made by armchair officials has cost small-scaled farmers dearly.

Kraissak said that he strongly disagreed with the reduction of tariffs on agricultural products, saying influx of Chinese goods into the country as a result of the Sino-Thai FTA agreement has caused widespread negative effects on Northern farmers.

Tariff for more than 5,000 imported fruits and vegetables from China has been waived since October as a result of the first phase of Sino-Thai FTA deal.

BB forms body to review anti-money laundering act

UNB, Dhaka

Bangladesh Bank yesterday formed a committee to review the Anti-Money Laundering Act 2002, as the law could do little to curb the pecuniary vice.

Janata Bank managing director has been assigned to chair the 9-member committee as the decision was taken at a meeting at Bangladesh Bank with Deputy Governor Mohammad A (Rume) Ali in the chair.

Other members of the committee are representatives from Ministries of Commerce and Law, Bangladesh Bank, Bureau of Anti-Corruption, the Securities and Exchange Commission, AB Bank, City Bank, Islami Bank and NCCBL.

"The decision was taken due to poor response by the commercial banks in reporting about the suspicious accounts," a senior central bank official, who attended the meeting, told the news agency.

He said the central bank had received reports of only 5 suspicious accounts in last two months from among the around 50 commercial banks.

The Bureau of Anti-Corruption (BAC) has filed five cases against eight persons, including National Credit and Commerce Bank director Mohammad Ali and its officials, accusing them of laundering more than Tk 70.60 crore.

Pan Pacific Hotels, three others form global alliance

Four leading hotel companies have formed a worldwide alliance that spells good news for the international travellers, says a press release.

Kempinski Hotels & Resorts, Pan Pacific Hotels and Resorts, Rydges Hotels & Resorts and Wyndham Hotels & Resorts have formed the 'Global Hotel Alliance' to offer guests greater customer services.

The alliance was formally launched in Berlin on March 14.

General Manager of Pan Pacific Sonargaon Dhaka Grant J. Gaskin formally announced the formation of the alliance in Dhaka on Tuesday. Managing Director of Sonargaon's owning company Hotels International Ltd Adiluzzaman was also present.

The new marketing partnership brings together 235 upscale and luxury hotels and resorts, and over 63,000 guest rooms across five continents, providing customers with a wider range of accommodation to meet their needs wherever they may choose to travel.

All the brands in the alliance are dominant players in their main regions of operation: Wyndham Hotels & Resorts in North America, Kempinski Hotels & Resorts in Europe, Pan Pacific Hotels and Resorts in the Pacific and Rydges Hotels & Resorts in Australia.

From 5 April 2004, each partner will market the alliance to its customers.

Members who stay at a partner hotel or resort will have facilities including a complimentary night's stay upon presentation of a valid card during check-in from others in the alliance.