

## Fight unemployment thru' poverty cutting strategy

### Speakers tell concluding ceremony of ILO dialogue

#### STAR BUSINESS REPORT

The country's poverty reduction strategy needs to be designed as an effective tool to fight against growing unemployment, speakers told an ILO-sponsored national policy dialogue that concluded in Dhaka yesterday.

The labour market policy should focus on a more market responsive skill development goal to address the immediate and longer term needs of various segments of the labour force, they recommended.

In order to generate more employment, it is vital to increase investment, extend effective policy support to small and medium enterprises (SMEs) and ensure use of remittance earnings in a more productive way, the discussants observed.

The International Labour Organisation (ILO) organised the

two-day national policy dialogue on 'Globalisation, Decent Work and Poverty Reduction: Policy Alternatives' at Dhaka Sheraton Hotel.

Presenting a set of recommendations at the concluding session, Herman van der Laan, director of ILO Sub Regional Office for South Asia, suggested developing a strategy on decent work on the basis of public-private partnership.

He said supportive institutions should be set up to improve migration management and disseminate information on job prospects and skill requirements for migrant workers.

To improve services related to remittances and returnee migrants, Herman said, bank officials should be regularly trained and motivated to be customer friendly.

Gopal Bhattacharya, director of ILO Dhaka, said the national policy

dialogue for the decent work programme of Bangladesh is the beginning of a process and it should be followed up through some other consultations.

Kamran T Rahman, vice-president of Bangladesh Employers' Federation, observed unemployment rate is going up alarmingly. In the context of economic condition of a country, he felt, decent work should be country and sector specific.

Wajedul Islam Khan, member secretary of the National Coordination Committee of Workers Education, said closure of Adamjee and other state-owned mills have been rendering thousands of workers jobless.

Speaking at a working session, Shah Md Farid, former member, Planning Commission, underscored the need for an integrated strategy for social protection targeting the

poor. He said only four percent of the total students in Bangladesh are taking technical and vocational education whereas in Thailand it is around 30 percent.

"Budget for technical and vocational education should be increased," he added. Farid suggested rehabilitation of retrenched workers to be a part of privatisation process.

Dr Salehuddin Ahmed, managing director of Palli-Karma Sahayak Foundation, said a proper macro policy framework focusing on comprehensive social protection is needed.

Researchers, trade union leaders, representatives of Bangladesh Garment Manufacturers and Exporters Association and other groups also participated in the dialogue.

## S Asian business leaders for more trade shows to increase trade

### STAR BUSINESS REPORT

South Asian business leaders at a roundtable in Lahore, Pakistan yesterday called for simplification of visa regime for businesspeople to boost intra-region business.

They also called for holding more trade shows to help augment trade volumes among the members of Saarc (South Asian Association for Regional Co-operation).

The business leaders were speaking at the roundtable titled 'Safta: Agenda for Trade Liberalisation' organised by Saarc Chamber of Commerce and Industry (SCCI).

The business leaders also urged politicians to work together for the overall development of 140 crore people in the region.

Pakistani Minister for Industries and Production Liaquat Ali Jatoi addressed the function as chief guest. SCCI President President Mueek Hashim, Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) President and Vice President of SCCI Abdul Awal Minton, Vice President of SCCI Sheikh Jamil Mehboob Magoon and Vice President of Federation of Pakistan Chambers of Commerce and Industry (FPCCI) Sheikh Maqbool Ahmad also spoke at the function.

Some 22 delegates from Bangladesh led by FBCCI president are taking part in the three-day business conference, according to a press statement issued by FBCCI. The Pakistani minister hoped Safta will come into being by 2006 deadline.

The minister also put emphasis on establishing small and medium enterprises for creating employment opportunities in the region.

## Khulna unit of Dhaka Match reopens May 8

### STAFF CORRESPONDENT, Khulna

Khulna unit of Dhaka Match Industry reopens on May 8.

The factory, formerly known as Dada Match Works, is reopening after a negotiation between the government, factory management and leaders of CBA (collective bargaining agent).

The decision was taken at a negotiation meeting held on Monday.

Khulna Mayor Shaikh Tayebur Rahman, Ali Asghar Lobi MP and Md Nurul Islam MP were present, among others, at the meeting.

The match factory was shut down on December 20 last year.

## WARSAW SUMMIT OPENS Warning of public fear of EU enlargement

### AFP, Warsaw

More than 40 countries opened a three-day economic summit in the Polish capital on Wednesday to the chorus of a stark warning that the European Union's May 1 enlargement could leave ordinary people alienated unless it helps put money in their pockets.

"The union of Europe requires more than just regular summits and diplomatic meetings," Slovakian President Rudolf Schuster told the opening debate at the annual European Economic Summit.

"It also requires the support of people and this is one of the challenges I consider faces us in the years ahead," said Schuster, citing "slow economic growth and jobs" as ordinary people's concerns.

The summit, held amid stringent security due to fears of demonstrations by anti-globalisation demonstrators on its margin, starts just three days from the EU's enlargement to 10 new countries, including Poland.

A similar note of caution ahead of the historic exercise came from Portuguese President Jorge Sampaio, who pointed to "a major gap" between the EU and ordinary people, which only economic growth could help bridge.

"Otherwise, how can you respond to public opinion that's preoccupied with everyday needs," he said.

"We do need a way out of stagnation, with the EU being the force it is, at least I would like to see the European Union act with some strategic autonomy as regards economic matters," he said.

Lena Kolarska-Bobinska, a Sociologist in Poland, the EU's biggest future member, said fears prevailed over hopes ahead of the enlargement.

## Khaleda asks recruiters to charge minimum

### Baira delegation meets PM

#### UNB, Dhaka

Prime Minister Khaleda Zia yesterday asked recruiting agencies to properly utilise the training centres for improving technical and language skills of the recruits before sending them abroad.

Besides helping the unskilled and semi-skilled workers reap enhanced benefits from their overseas jobs, country's manpower-export market will expand if these facilities are utilised, she pointed out.

The prime minister asked the recruiters to charge the minimum possible because most of the labourers even have to sell off their belongings to go abroad for jobs.

She also told them that their

responsibilities wouldn't be over just after sending them. "It has to be seen that they are not cheated".

The prime minister made the suggestions when the newly elected executive committee of Bangladesh Association of International Recruiting Agencies (Baira) called on her at the International Conference Centre in Dhaka.

The 22-member delegation of the Baira, representing more than 350 recruiting agencies, was led by its president M Mosharraf Hossain MP.

Congratulating the new executives of the association the prime minister mentioned that the organisation is making important contribution to the country's economy through manpower export.

She said the new Ministry of

Expatriates Welfare and Overseas Employment has helped increase manpower exports and explore new markets, especially in Europe and the USA.

A total of 385,488 people were employed overseas during the period of October 2001 to February 2004. Nearly three lakh people have been employed in Saudi Arabia alone.

The prime minister also mentioned government programmes for improving various facilities like sending remittances through proper channel.

State Minister for Expatriate Welfare and Overseas Employment Kamrul Islam was present at the meeting.

## StanChart to extend loans to buyers of Toyota vehicles

Standard Chartered Bank will provide car loans to customers of Navana Limited, the sole distributor of Toyota vehicles in Bangladesh, at a preferential rate of 13 percent interest.

A memorandum of understanding (MoU) to this effect was signed between the two organisations in Dhaka recently, says a press release.

The customers of Navana Limited will have to pay a flat loan processing fee of Tk 7,500.

Masihul Haque Chowdhury, head of Secured, Standard Chartered Bank, and Saiful Islam Shumon, director of Navana Group, signed the MoU on behalf of their organisations.

Among others, Tareq Reaz, senior manager (Sales), Auto Loans, Standard Chartered Bank, and Sajedul Islam, director of Navana Limited, were present.

## HSBC signs MoU with Amex Travel Related services

The Hongkong and Shanghai Banking Corporation (HSBC) Limited in Bangladesh recently signed a memorandum of understanding (MoU) with American Express Bank Limited Travel Related Services (TRS).

Mamoon M Shah, manager Personal Financial Services of HSBC in Bangladesh, and Wazirul Alam, country manager of American Express Bank Ltd TRS, signed the MoU on behalf of their organisations in Dhaka, says a press release.

Under the agreement, individuals who get travel loans from HSBC will get professional travel counselling, discounted tickets and travellers cheques at 50 percent discount on commissions from American Express TRS.

American Express TRS will also offer visa facilitation services, airport transfer services in Dhaka and "Meet and Greet Services" at Zia International Airport at nominal fees.

HSBC will also offer the lowest interest rates on Travel Loan packages for all American Express Bank Ltd TRS customers travelling to any destination around the world.

## Sri Lankan economy seen growing 5-6pc

### REUTERS, Colombo

Sri Lanka is expected on Friday to announce five to six percent economic growth for 2003 while forecasting similar performance this year as exports surge and a ceasefire in its civil war bolsters consumer confidence.

But political uncertainties could crimp foreign aid and investment.

The economy is estimated to have been 5.5 percent larger in 2003 than in the previous year, accelerating from 2002's 4.0 percent growth rate as the country slowly healed from decades of war and the global economy recovered.

## Emirates net profit clocks 67pc rise

### Airline posts all-time high revenue of \$3.8b in 2003-04

#### INAM AHMED from Dubai

Emirates Chairman Sheikh Ahmed bin Saeed Al-Maktoum's impressive face gave journalists little idea of what was coming. And when it came it was a big news - Emirates has struck a record profit for financial year 2003-2004 in its entire history when other airlines are struggling to keep their heads above the water.

A net profit of \$476 million representing a 67 percent improvement over last year's and an all-time high revenue grossing \$3.8 billion should have sent any chief executive officer head over heels.

But Ahmed is a different character. He just said, "This (growth) is natural because of our strong management and committed staff and service. We will continue this growth next year too."

And why is he so sure of growth continuity? Apart from having the belief that he got the best team and finance, a lot of his hopes bank on the continuity of Dubai as the global hub.

In commenting on "the recipe for our continued success", he singled out "the leveraging of Dubai's location as a global hub and of the government's ambitious development programme, our multi-billion dollar investment in new equipment, and crucially, the skill and dedication of our team."

Well, the new face of Dubai should inspire that spirit in anybody. New spaces are being developed for multi-storied commercial buildings, roads are being widened, exhibitions and fairs are being programmed. To top it off, the stability and security that United Arab Emirates, or for that matter Dubai enjoys today when other Middle Eastern countries are reeling under terrorist threats clearly gives it an upper hand.

"It has everything -- the West and the East. You will find pubs in every corner. You can pick any lifestyle you want," said Saifur Rahman, a Bangladeshi who has been here for over a decade. "Why should this not develop and boom?"

In return, Emirates also contributes heavily to the UAE economy -- during the past financial year its whole contribution was \$3.7 billion to the country's economy, showing the synergy between the state and business.

Not only ambitious plans and state support, Emirates also grew because of its aggressive expenditure cutting steps. It achieved a cost improvement per unit of 3.6 percent during the past year despite the fact that fuel prices increased by 15 percent.

"The Emirates Group's strong performance once again in the latest financial year confirms not just that we are on the right track but also that we are doing our part to help our government realise its aggressive master plan for Dubai's development," Sheikh Ahmed said at a news



PHOTO: EMIRATES  
Sheikh Ahmed bin Saeed Al-Maktoum, chairman of Emirates, announces the company's financial result for 2003-04 at a press conference in Dubai yesterday.

conference yesterday in Dubai. Emirates carried 10.4 million passengers during the financial year, an increase of almost two million passengers or 23 percent more than the year before. The airline's profit of \$429 million was 73.5 percent better than last year's.

Cash balance for Emirates stood at a robust \$1.8 billion at the year's end, compared with \$1.3 billion the preceding year.

"We are now one of the most favoured airlines in the Middle East to get financing from the Islamic financial system," said a top official of the company. And when this financial year the airline will increase its capacity by 26 percent over last year, this bond will come handy, he added.

With 90 new aircraft in the pipeline, the airline expects its fleet to continue expanding at the rate of at least one new aircraft per month for the rest of this decade and is on course for a 130-plus fleet by 2012.

And with all these figures, when Sheikh Ahmed walked down the rostrum, he had the satisfied smile that reflected that Emirates is now the world's fastest-growing, one of the five most profitable and among the 20 largest airlines.



PHOTO: INTERSEVA  
Masihul Haque Chowdhury, head of Secured, Standard Chartered Bank, and Saiful Islam Shumon, director of Navana Group, sign a memorandum of understanding (MoU) recently in Dhaka. Under the deal, customers of Navana Ltd, the sole distributor of Toyota vehicles in Bangladesh, will be eligible to get auto loan of the bank at a preferential rate of 13 percent interest.

## ADB warns of possible new Asian banking sector crisis

#### AFP, Manila

India, Pakistan and Taiwan are at risk of a banking sector crisis unless the authorities push through reforms of the industry, the Asian Development Bank (ADB) warned Wednesday.

Lax regulations on provisioning, accounting and loan classification led to the 1997-1998 Asian financial crisis that ravaged the economies of Indonesia, South Korea, Malaysia, the Philippines and Thailand and created shock waves felt across the globe.

Seven years on, India, Pakistan, and Taiwan "may face one if the authorities are unable to forestall a crisis using preemptive financial reforms," the ADB said in its annual economic outlook report.

The pressure of globalization and ensuing liberalization has exposed

the shortcomings of the financial sectors of these countries including "low capitalization ratios, limited expertise in risk management," rising bad loans and inadequate banking supervision and regulation.

"NPL (non-performing loan) ratios are reaching all-time highs in these three economies, even as the reported figures are still thought to underestimate the actual levels," it added.

"The role that globalization has played in exposing financial sector weaknesses suggests that financial sector problems could become more acute over the coming decade -- unless, critically, governments take advantage of the current macroeconomic buoyancy to address them."

Asian governments must develop capital markets to serve as alternative financing sources, improve corporate governance of

banks and revamp insolvency laws, the report said.

For Asia as a whole, the NPL levels among 19 developing member economies where data is available has fallen to about 17 percent as of end-2002 but this is still more than double those of Latin America and Eastern Europe.

The health of the banking sectors of the five previous crisis countries remains "fragile" while in some others, "reform efforts have been more limited and problems may be looming," the ADB said.

"This situation reflects cases where resolution schemes and banking supervision may not be working properly," or more importantly, "that banking sector reform has been limited and banks are creating more NPLs while disposing of the old ones."



PHOTO: BANK ASIA  
Syed Anisul Huq, president and managing director of Bank Asia Limited, inaugurates IT department of the bank at a new location on Gulshan Avenue in Dhaka recently. Senior officials of the bank were also present.

## FBCCI team off to Egypt to attend OIC business meet

### BSS, Dhaka

A 10-member delegation of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) left Dhaka for Cairo on Tuesday to attend the two-day 2nd International Conference on Investment and Privatisation in OIC Countries to be held in Sharm-El-Sheikh of Egypt beginning today.

Members of the delegation include directors of FBCCI Dewan Sultan Ahmed, Bazlur Rahman, Afzal Hossain, Ebaydul Hoque Chand and SM Shafiquzzaman.

Islamic Chamber of Commerce and Industry (ICCI) in cooperation with the Egyptian Ministry of Supply and Internal Trade and Federation of Egyptian Chamber of Commerce is organising the conference to discuss and explore some potential sectors in which Egypt has tremendous investment opportunities.

ICCI is emphasising its members to promote investment opportunities in OIC nations.



PHOTO: HSBC  
Mamoon M Shah (sitting left), manager, Personal Financial Services of the Hongkong and Shanghai Banking Corporation (HSBC) Limited in Bangladesh, and Wazirul Alam (sitting right), country manager of American Express Bank Ltd Travel Related Services, sign a memorandum of understanding (MoU) recently in Dhaka. Under the deal, individuals who get travel loans from HSBC will get professional travel counselling, discounted tickets and travellers cheques at 50 percent discount on commissions from American Express TRS.

## CURRENCY

Following is Wednesday's (April 28, 2004) forex trading statement by Standard Chartered Bank

TT/OD	BC	Currency	TT Clean	OD Sight Doc	OD Transfer
59.4500	59.5000	USD	58.5550	58.3830	58.3131
71.6789	71.7392	EUR	69.0481	68.8452	68.7628
107.2359	107.3261	GBP	104.1869	103.8809	103.7566
44.3497	44.3870	AUD	42.2474	42.1233	42.0729
0.5523	0.5527	JPY	0.5328	0.5312	0.5306
46.2574	46.2963	CHF	44.6610	44.5298	44.4765
7.7738	7.7803	SEK	7.1913	7.1702	7.1616
44.3359	44.3732	CAD	42.9226	42.7965	42.7453
7.6298	7.6362	HKD	7.5005	7.4785	7.4695
35.2275	35.2572	SGD	34.3915	34.2905	34.2495
16.3181	16.3318	AED	15.8137	15.7673	15.7484
15.9790	15.9925	SAR	15.4903	15.4448	15.4263
9.9120	9.9203	DKK	9.0185	8.9920	8.9812
202.2728	202.4429	KWD	191.5377	190.9751	190.7466

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai bath	Nor kroner	NZ dollar	Malaysian ringgit
44.17	57.36	98.5	39.755	6.9065	0.6796	3.80