

Foreign trade instt starts full operation in July

M ABDUR RAHIM

Bangladesh Foreign Trade Institute (BFTI), a public-private think-tank aiming to develop expertise on global trade issues and enhance Bangladesh's trade negotiation capability, will start full operation from July this year.

The prime tasks of the institute will be to work out strategies for Bangladesh to handle bilateral and multilateral trade issues in the World Trade Organisation and conduct analyses of trade agreements under WTO.

Sources said the appointment of an executive director, the top managerial post of the institute, will be finalised by July. Department for International Development (DFID), UK, will bear the expenses of the executive post for five years.

The institute started its journey in May last year but its activities were limited due to absence of the executive director which also delayed filling up 26 other designated posts. Only six permanent staff have so far

been recruited against these posts.

The uncertainty over the fate of the body following the exit of its mastermind, Amir Khosru Mahmud Chowdhury, was over as his successor Commerce Minister Altaf Hossain Choudhury affirmed his support for the institute.

Altaf, ex-officio chairman of the institute, attended the board meeting of BFTI held on May 12 that decided to complete the rest of the recruitment by July and hold meeting once in a month to monitor activities of the think-tank.

"Once fully operational the institute will increase country's trade negotiation skills in bilateral and multilateral levels," Md Matiur Rahman Khan, acting executive director of BFTI, told The Daily Star yesterday.

Khan, also chairman of the Trading Corporation of Bangladesh (TCB), said the institute has so far organised two training programmes which created interest among government officials and private sector players.

Officials assigned in foreign missions will have to undergo orientation courses at the BFTI. The institute will also arrange training courses on trade related terms for people concerned in both public and private sectors.

Besides research-oriented activities, the BFTI will function as a training institute to develop skilled manpower with enhanced trade negotiation capacity that will help boost the government's economic diplomacy.

The 14-member governing body of the institute has private sector representatives from the Federation of Bangladesh Chambers of Commerce and Industry, Metropolitan Chamber of Commerce and Industry, Dhaka, Dhaka Chamber of Commerce and Industry, International Chamber of Commerce in Bangladesh, Bangladesh Garment Manufacturers and Exporters Association, Bangladesh Textile Mills Association and Chittagong Chamber of Commerce and

Industry.

Public sector members of the body are -- commerce secretary, rector of Bangladesh Public Administration Training Centre, secretary of Economic Relations Division, principal of Foreign Service Academy, executive chairman of Board of Investment and vice-chairman of Export Promotion Bureau.

The private sector institutions have contributed Tk 20 lakh each to raise a fund to run the institute.

The BFTI held two workshops on 'Key WTO Issues and Trade Promotion' and 'Trade Promotion and Foreign Direct Investment' for commercial counsellors of Bangladesh trade missions abroad and representatives of trade bodies.

It has also prepared 20 training modules for courses to be organised in association with Tariff Commission, Bangladesh Institute of Development Studies, Centre for Policy Dialogue and other specialised organisations.

Nat'l furniture fair in Sept

STAR BUSINESS REPORT

A four-day national furniture fair will be held at the Bangladesh-China Friendship Conference Centre in Dhaka in September.

Bangladesh Furniture Industries Owners' Association (BFIOA) and Communicare Events will jointly organise the fair.

Mehdee Hassan, director of event management firm Communicare Events, at a press briefing in Dhaka yesterday hoped some 70 to 80 furniture firms will take part in the fair, the first of its kind.

Speaking at the briefing, Selim H Rahman, secretary general of BFIOA, said, "Our furniture industry has good prospect to grab a slice of world market. Some firms are already exporting their products to India, Australia and European countries."

At present, directly or indirectly over ten lakh people are engaged in the furniture industry, he added.

The country has no policy to promote furniture export, he mentioned, adding that if the government includes furniture business in the national industrial policy, furniture export can be enhanced.

Prior to holding this exhibition, the BFIOA will publish a directory of furniture firms.

BPC launches BIMST-EC tourism campaign

STAR BUSINESS REPORT

Bangladesh Parjatan Corporation (BPC) yesterday launched a year-long promotional campaign for tourism focusing on BIMST-EC sub-region.

The BPC will observe the 'Visit BIMST-EC Year 2004' aiming to receive more tourists from the sub-region and market the country's tourism products.

The campaign is part of a BIMST-EC (Bangladesh, India, Myanmar, Sri Lanka, Thailand Economic Cooperation) drive to explore the economic potentials of tourism in the member countries of the economic bloc.

BPC will observe the year through various programmes including food festivals and tourism

fairs, cultural nights at five-star hotels and special package tours.

"BIMST-EC is a proper platform to create an atmosphere for sustainable tourism growth and economic benefit," Civil Aviation and Tourism Secretary BMM Mozaharul Haque said at the launching of the campaign.

"We hope this will create a chance to utilise effectively the BIMST-EC members' common marketing strategy for tourism products," he said.

The tourism secretary further said Bangladesh strongly supports the idea of simplification of travel formalities to boost intra-regional tourism.

Speaking at the function held at a local hotel, State Minister for Civil Aviation and Tourism Mir Mohammad Nasiruddin appreci-

ated the role of private sector entrepreneurs in expanding tourism industry in Bangladesh.

The country received about 2.17 lakh tourists last year, he said.

About the security of foreign tourists, the state minister said the government will take adequate security measures to ensure their free and safe movement.

The government has approved operations of private airlines on Colombo-Dhaka-Colombo route to help free movement of people and promote tourism, he mentioned.

BPC chairman M Mahubur Rahman and representatives from the missions of the BIMST-EC member countries in Dhaka were present at the function.

Himadri Ltd recommends 10pc dividend

The Board of Directors of Himadri Limited has recommended a 10 percent dividend for shareholders for the year ending December 31, 2003.

The dividend was approved at a board meeting in Dhaka on Tuesday, says a press release.

The 30th annual general meeting of the company, a sister concern of Ejab Group, will be held at its Corporate Office on June 16.

Soaring oil prices threaten Asia's airlines

AFP, Singapore

Escalating jet fuel prices are threatening to clip the wings of Asian carriers just as they recover from last year's unprecedented travel slump brought on by the Severe Acute Respiratory Syndrome (Sars) outbreak, analysts said.

Moves by Australia's Qantas

Airways and Air New Zealand to impose a passenger ticket surcharge from Monday were a warning to the industry about the impacts of record-high oil prices if they continue to rise, they said.

"Fuel represents a large proportion of an airline's operating cost," Ian Thomas, senior consultant at the Centre for Asia Pacific Aviation in Sydney, told AFP.

"So obviously any increase over a prolonged period has a detrimental effect."

Thomas said airlines that had hedged against rising oil prices, a common practice of virtually every regional carrier, would be protected in the short term, but carriers would not be able to shield themselves from too long.

"Most have hedgings in place which gives them 12 to 18 months in general but any prolonged increase that goes beyond the hedging rate will do some serious damage to the airlines," he said.

"The issue is it will slow the recovery (of the airlines)."

Oil prices hit an all-time high on Friday, with New York's crude oil contract reaching 41.56 dollars a barrel, amid concerns over terrorists disrupting production in the Middle East, the world's major supplier of crude.

Demand from the buoyant global economy, especially from China and the United States, have also pushed crude prices higher.

China gets thumbs up on measures to slow overheating economy

AFP, Jeju, South Korea

China used a gathering of Asia's financial elite here this weekend to calm jitters over the feared impact of state-authored measures to chill its overheating economy.

So far, it has gotten the thumbs up.

Addressing fellow ministers and delegates to the Asian Development Bank (ADB) on Sunday, Chinese Finance Minister Jin Renqing said China's current growth rates of over 9.0 percent provided a "fundamental guarantee" for the country to reduce poverty.

He said the government has mapped out a "sustainable" plan that highlights balanced development between urban and rural areas, among different regions and between domestic growth and

opening up.

On Saturday, Jin met with his counterparts from South Korea, Japan as well as Southeast Asia and assured them that Beijing was fully capable of guiding the economy to a "soft-landing" and that fears authorities would apply the brakes too abruptly were unfounded.

"The Chinese government is confident it has the ability to realise a soft-landing for the economy and to realise also a smooth and sustained growth of the economy," Jin said in a news conference after the meeting.

Saturday's meeting was held under the ASEAN Plus Three dialogue process involving the Association of Southeast Asian Nations and its three northern neighbours.

ADB MEET IN SOUTH KOREA

Donors seek more effective use of aid

AFP, Jeju, South Korea

Governments need to work harder to bring the benefits of Asia's robust economic growth to millions of poor people, top finance officials said Sunday, as donor countries sought reforms to ensure the more effective use of aid money.

Poverty reduction should not only involve raising income levels but also bringing public health and education services to the region's impoverished masses in order to reduce infant mortality and improve literacy rates, they said at the Asian Development Bank (ADB) meeting here.

More than 3,200 of Asia's financial elite are attending the two-and-a-half day sessions held in Jeju's swank convention center, where glass walls provide a sweeping view of the sea.

"Replenished resources must be used effectively," Japanese Finance Minister Sadakazu Tanigaki said,

referring to the Asian Development Fund, the ADB's low-interest loan window aimed at financing projects that help reduce poverty in the bank's poorest members.

"While we've witnessed some progress in poverty reduction in the Asian region over the last decade, the number of poor population has not dropped in many low-income countries, except for the PRC (People's Republic of China) and India," he said in an address to the session.

"Also, there is no prospect in sight for achieving the Millennium Development Goals in public health and education, such as the infant mortality and literacy rates."

Japan remained the biggest donor to the latest replenishment of the fund totalling 7.0 billion dollars to be disbursed between 2005 and 2008. ADB also lends to its 63 members through its ordinary capital resources.

BASIC Bank introduces ReadyCash

BASIC Bank Limited has introduced ReadyCash card.

An agreement to this effect was signed between American International (BD) Limited, the acquirer of ReadyCash card, and the bank at its head office in Dhaka on Saturday, says a press release.

ME Islam, corporate secretary of American International BD Limited, and AQM Kibriya, company secretary of BASIC Bank Ltd, signed the deal on behalf of their organisations.

AH Ekbal Hossain, managing director of the bank, and Nurul Islam Mollah, chief advisor to American International (BD) Limited, were present.

With the introduction of the BASIC Bank ReadyCash card, the clients of BASIC Bank will be able to make cashless purchases and pay their gas, water, telephone and electricity bill payments seven days a week in all ReadyCash accepting shops and business locations.

Brac Concord awards summer offer winners

STAR BUSINESS REPORT

Brac Concord Lands Limited has awarded gold coins to 68 of its customers, who booked or bought plots from the land developer, under a special offer of the company during the last summer.

Mir Shawkat Ali, managing director of Brac Concord, formally handed over prizes to winners of Summer Offer '03 at a function held in Dhaka on Saturday.

Speaking at the function Mukarram Husain Khan, managing executive director of Brac Concord, said the company promised a 10-gm gold coin for every booking or purchase of a plot under the offer.

The company has already handed over most plots to the owners of Garden Island at Ashulia and Uttara Home at Uttara, he informed.

Musharaf Husain, assistant general manager (marketing) of the company, also spoke at the function.

'Opec production hike won't curb oil prices'

AFP, Algiers

A production increase, upon which the Opec oil cartel looks set to agree this week, would not drive oil prices down from their current record highs, Algerian Energy Minister Chakib Khellil warned on Sunday.

A possible increase in output following the May 22-24 meeting of the Organisation of Petroleum Exporting Countries (Opec) in Amsterdam "would not really drive prices down significantly," Khellil said.

"I have always said that Opec has always satisfied the needs of the international market and that the price rises on the world market are not at all due to a shortfall in supply," he told Algeria's APS news agency.

"The rise in barrel prices is much more linked to geopolitical problems, to speculation, to the rigidity of the US market, to the US fuel refinery and distribution system," he argued.

"It is political tensions and market perceptions of what lies in the weeks and months ahead that are strongly affecting the rise in oil prices", he said.



Workers busy at a concrete brick, hollow block and tiles factory of Surya Baja Sentral Anugerah, an East Java-based company, in Indonesia.

CONCRETE BRICK, HOLLOW BLOCK PRODUCING MACHINE

Indonesian firm keen to set up assembling plant in Bangladesh

STAR BUSINESS REPORT

An Indonesian company that manufactures machinery for producing concrete bricks and hollow blocks may set up a plant in Bangladesh if local entrepreneurs show interest in the low-cost and environment-friendly building materials.

"We will actively consider setting up an assembling plant in Bangladesh if owners of brick kilns respond positively to our machines," H Taufik Hidayat, marketing director of the East Java-based company, Pt Surya Baja Sentral Anugerah, told a group of Bangladeshi entrepreneurs and media people, who visited the company recently.

As use of concrete bricks or hollow blocks in construction works instead of clay bricks reduces production costs and helps reduce environmental hazards, the new type of building material is getting popular worldwide, experts said.

Surya Baja, which has a liaison office in Dhaka, provides one-year guarantee for the machines. On

expiry of the guarantee period, the company provides one-year after sales services to the customers.

Some big real estate companies and construction firms in Bangladesh have already imported the machines from Surya Baja. A machine, which costs \$60,000, can produce 4,000 pieces of concrete bricks an hour.

The country's traditional clay-brick manufacturers are yet to start using the electricity-run machine. Company officials however said the machine can be operated by generator also.

Maizuddin Ahmed, secretary general of Bangladesh Brick Manufacturers and Owners Association (BBMOA), who was included in the visiting team, said pressure on clay bricks will ease if people start using concrete bricks.

At present, around 6,000 kilns across the country produce clay bricks. The kilns are causing serious health and environmental hazards in the localities.

US urges ADB to play role in remittance flow in Asia

AFP, Jeju, South Korea

The United States on Sunday urged the Asian Development Bank (ADB) to play a role in catalysing the billions of dollars remitted by foreign workers to their home countries in Asia.

"Remittance flows can also benefit from novel financing services," said John Taylor, the US Department of Treasury undersecretary for international affairs, in an address to the ADB meeting here.

He said nearly 30 billion dollars in remittances flowed to Asia in 2002, most of them to poor families with relatives working abroad.

"ADB has an important role to play in catalyzing remittance flows and increase their cost-effectiveness," he said.

Taylor said a pilot project had been rolled out in the Philippines under the Asia Pacific Economic Cooperation (APEC) forum. The project will be discussed in Tokyo next month.

"We hope the ADB will continue to resource these important initiatives and apply lessons learned to other countries in the region," he said.