

## Biman domestic fares up Tk 100 from next month

UNB, Dhaka

Airfare on all domestic routes of Biman Bangladesh Airlines has been increased by Tk 100 with effect from next month.

State Minister for Civil Aviation and Tourism Mir Mohammad Nasir Uddin gave the fare-hike decision yesterday and directed the officials concerned to take necessary steps in this regard, said an official announcement.

He was presiding over a cost-minimisation meeting on Biman Bangladesh Airlines at Biman office where officials suggested raising airfare in keeping with increase in fuel prices.

"But the minister decided to raise the ticket price by Tk 100 considering people's socioeconomic condition," the release said.

The minister asked the officials to take necessary measures to increase income of Biman through monitoring the operations of all its foreign air stations and reduce expenses by slashing manpower alongside entertainment, residential and other costs.

Civil Aviation Secretary Akhter Hossain Khan, Managing Director of Biman M Mahmudur Rahman and high officials of the ministry and Biman were present.

## India may open property market to foreigners

REUTERS, Bombay/Bangkok

Indian developers hungry for deals that would attract international expertise and funds will probably convince lawmakers to ease rules blocking foreigners from entering India's property market.

Although many investors believe the Congress Party-led government will slow economic reforms of the previous government, analysts say few voices have been raised against liberalising the property sector.

The issue is being closely watched by foreign firms that have poured money into technology businesses and call-centres in Bombay, Delhi, Bangalore and Hyderabad.

It is also of interest to Western investment funds and Asian property developers -- from US investment bank Morgan Stanley to Singapore's Ascendas Pte Ltd and Keppel Land -- seeking opportunities in a fast-growing economy.

Anuj Puri, head of the real estate committee of the Confederation of Indian Industries (CII), said India could begin easing rules from next year, following a trend that has swept Asia since the 1997/98 economic crisis.

## EU demands more access to China market

AFP, Beijing

The European Union wants greater access to the Chinese market, especially in the auto and textile industries, a ranking official with the European Commission said Monday.

Foreign auto makers are still waiting for an end to Chinese rules requiring them to operate separate distribution channels for locally-made and imported cars, said Jean-Paul Mingasson, head of the Commission's Enterprise Directorate General.

"We've been told that a solution is near but we haven't seen it yet," he told AFP in Beijing.

The European textile industry, for its part, is bracing itself for the end of the quotas on all textile exports at the end of the year, with China expected to be the major beneficiary.

"The Chinese are definitely going to put a spanner in the works for some of our usual suppliers," said Mingasson, referring to textile makers in low-cost countries like Romania, Turkey and Morocco.

At the same time, he said, European textile makers were faced with "problems of entering the Chinese market."

Another "very big problem" is in the construction industry, where foreign companies are now forced to register inside China in an expensive procedure if they want to participate in local projects, Mingasson said.

While pushing for improved market access, the European Union also wants to provide China with technical assistance in its efforts to improve the certification system for its products.

# New lease of life for Pangaon container terminal project

RAFIQ HASAN

After almost nine years, the government has revived the project for constructing an inland container terminal at Pangaon under Keraniganj upazila near Pagla for easing congestion at the Chittagong Port and traffic on the highways.

The project will be implemented at a cost of Tk 120 crore.

Shipping Minister Akbar Hossain along with other senior shipping ministry officials is expected to visit the project site tomorrow, sources in shipping ministry said.

The decision for constructing the container terminal was taken in 1995 during previous Khaleda led

government. Prime Minister Khaleda Zia had laid the foundation stone of the project at Pangaon.

But no progress was made in the past nine years, as the Awami League government did not show much interest about it, the shipping ministry sources said.

Now the Ministry of Shipping has taken up the project once again due to regular container congestion at the Chittagong Port. The ministry at a meeting last week decided to build the terminal in the shortest possible time.

The terminal will be built jointly by the Chittagong Port Authority (CPA) and Bangladesh Inland Water Transport Authority (BIWTA). The

export-import container will be transported from the terminal by river route.

Lighters would carry the imported container reducing congestion at the Chittagong Port and on the highways.

Private sector will be engaged for handling containers at the terminal while BIWTC will arrange or, if necessary, build ships for carrying containers from Chittagong and Mongla ports, according to the decision.

The shipping ministry sources said the government would float tender by November this year for appointing a construction firm for starting the construction of the

terminal.

"I hope the construction of the terminal would be completed by March 2006," Akbar Hossain told The Daily Star.

He said the shipping ministry will try to make the terminal operational from April 2006.

The terminal will have a capacity to handle around 1.60 lakh TEUs annually earning nearly Tk 40 crore annual profit.

The terminal will be built on 90 acres of land. A four and half kilometers link road would also be constructed for connecting the terminal with the nearest highway under the project, the source said.

## KSA HEALTH MINISTER VISITS TWO PHARMA PLANTS

# Saudi Arabia shows interest in Bangladesh medicine

UNB, Dhaka

A 3-day trip of a high-level Saudi delegation led by its health minister brightened the prospect of medicine export to the kingdom as it gave initial indication of importing medicines from Bangladesh.

Saudi Health Minister Dr Hamad Bin Abdullah Al-Manea expressed satisfaction over the production capability, facilities and environment in the pharmaceutical industries they visited in Dhaka yesterday.

Giving his instant reaction to newsmen after inspecting two premier drug-manufacturing industries in Dhaka, Dr Al-Manea said he was happy with production setup and environment in the two factories.

Replying to a question, he expressed hope for the import of drugs from Bangladesh.

The Saudi health minister, how-

ever, said his country would take a decision after the trip by another technical delegation comprising mainly drug experts to ascertain the quality of drugs.

The technical team will arrive in Dhaka within next two weeks while the present delegation left Dhaka yesterday.

Bangladesh Health Minister Dr Khandokar Mosharrar Hossain who accompanied his counterpart during the visit to the two pharma-factories said the spot inspection would have positive impact regarding the import of medicines by Saudi Arabia from Bangladesh as they will send another technical team soon.

Replying to a question, he said the present delegation did not come to sign any agreement but to have a look at the facilities and standard of health services and manufacturing of drugs in Bangladesh.

"The delegation has understood that standard medicines are being

manufactured in Bangladesh," said the minister.

Dr Mosharrar hoped that their visit would be fruitful with regard to exporting drugs to Saudi Arabia.

The Saudi Health Minister, along with the five members of his delegation, visited Beximco Pharma factory at Tongi and Incepta Pharmaceutical Industry at Savar in Dhaka.

The Saudi health minister, Dr Al-Manea, first drove to Beximco Pharma factory around 10am where its Chief Executive Officer Nazmul Hasan displayed and briefed about the pharmaceuticals they produce.

According to pharmaceutical industry owners, some 200 pharmaceutical industries are in operation in Bangladesh of which 20 leading factories are producing international-standard medicines.

Beximco Pharma is now manufacturing 142 drugs of different dosages with annual turnover of 50 million US dollars.

During the presentation he said Beximco exports major drugs, including inhaler, to many countries, including Singapore, Russia, Pakistan, South Korea, Vietnam, Nepal and Kenya.

The Saudi delegation inspected some production units at the Beximco Pharma, including IV fluid plant, and also some production units at the Incepta factory.

Incepta Managing Director Abdul Mukhtar presented documentation about the performance and production facilities, qualities and their policy.

The pharmaceutical company, formally launched in January 2000, now produces 207 items of drugs and is in the pipeline of exporting its products.

Muktadir said his company could ensure 100 percent international standards of their products.

# Involve intelligence agencies to check hoarding

## Commerce ministry meet on essential goods price suggests

STAR BUSINESS REPORT

Amid price hike of essential goods a commerce ministry meeting yesterday suggested involving intelligence agencies to stop hoarding ahead of Ramadan.

In the wake of last week's incessant rains that inundated many farmlands prices of vegetables have shot up by almost Tk 8 to Tk 10 per kg.

With new harvest unlikely in another two months price of vegetables are likely to remain high.

An official of the agricultural ministry told the meeting that 70 to

80 percent vegetables harvest have been damaged due to severe rains forcing the prices to go up.

With Commerce Minister Altaf Hossain Choudhury in the chair, the meeting yesterday reviewed the prices of essentials.

The meeting observed that price of essentials including rice, vegetables, edible oil, spices usually shoot up before and during Ramadan every year despite having adequate stock in the country. The commoners with fixed and low incomes feel the pinch of such sudden rise.

Speaking at the meeting a representative of Consumers Association

of Bangladesh said although poultry industry has developed tremendously but eggs continue to sell at Tk18 for four pieces which used to be Tk14 a few days back.

He said necessary steps should be taken to ensure sufficient supply of vegetables in the market in order to bridge the prices ahead of Ramadan.

Advisor to Commerce Ministry Barkatullah Bulu said National Board of Revenue (NBR) should keep ministries concerned informed about companies importing consumer items.

"If intelligence agencies are given some responsibilities

to check hoarding, situation may improve".

Commerce minister said the government will take stern action against the hoarders.

President of the Federation of Bangladesh Chambers of Commerce and Industry Abdul Awal Mintoo, representatives from different ministries concerned, law enforcing agencies, the NBR and Trading Corporation of Bangladesh were present at the meeting.

## National Housing declares 10pc dividend

National Housing Finance and Investments Limited has declared a 10 percent dividend for the shareholders for the year 2003.

The dividend was declared at the annual general meeting of the company held in Dhaka on Saturday, says a press release.

M Haider Chowdhury, chairman of the company, presided over the meeting.

National Housing has earned a pre-tax profit of Tk 7.25 crore in 2003.

## Qatar Airways to take part in Tokyo travel agents fair

Qatar Airways will take part in the three-day Japanese Association of Travel Agents' World Tourism and Travel Fair (JATA WTF 2004) scheduled to be held in Tokyo from Friday, says a press release.

Speaking ahead of the show, Chief Executive Officer Akbar Al Baker said: "Participating in this fair will give Qatar Airways the chance to promote its five star services to the Japanese public."

Every year more than 100,000 visitors, including 30,000 trade and media representatives, attend this exhibition, recognised as Asia's largest travel market, of more than 700 booths and stands.

## Indian PM to carry economic reforms message to US

REUTERS, New Delhi

The left-leaning Indian government will persist with economic reforms in Asia's fourth-largest economy, Prime Minister Manmohan Singh said hours ahead of his trip to the United States and Britain.

Singh is expected to meet US President George Bush and Pakistani President Pervez Musharraf on the sidelines of the meeting of the UN General Assembly later this week.

"I will take advantage of being in the United States to convey that the government is determined to carry forward the process of economic reforms, which will increase opportunities for greater economic interaction," he told reporters Sunday.

Singh's Congress-led coalition government is backed by communist parties, which have opposed New Delhi's moves to increase foreign investment limits in insurance, telecoms and aviation, fearing massive job losses in these sectors.

## Nepal Maoist rebels call strike during major tourist event

AFP, Kathmandu

Maoist rebels fighting to overthrow Nepal's monarchy Monday called a two-day strike next week during one of the most popular festivals in the tourism-dependent Himalayan kingdom.

A rebel statement demanded that all shops and schools close and traffic stay off the roads on September 27 and 28 in most of Nepal including the capital Kathmandu.

The statement said the strike would not affect celebrations of the five-day Kumari festival, which marks the start of the harvest.

But the strike's first day is a public holiday for the opening of the festival when the Kumari, a young girl worshipped as a goddess, is paraded by chariot through Kathmandu to a crowd of thousands including King Gyanendra and foreign tourists.

## Total in talks for stake in Russian oil co

AFP, Paris

French oil group Total said Monday it was in talks to take a stake in a small Russian oil company, but did not disclose the company's name or say when it will make the investment.

"We don't usually comment during discussions. Russia is a difficult country. Until things are signed, everything is conceivable," a spokeswoman for the group said.

"Group CEO Thierry Desmarest has never hidden his desire to advance in Russia, through alliances or (the acquisition of a) stake," she added.



PHOTO: STAR

Mayor of Korean Poncheon city Park Youn-kook gestures as he speaks at a press briefing in Dhaka yesterday. The mayor, who is leading a 20-member business delegation, announced that small and medium enterprise (SME) entrepreneurs of the city are interested to exchange expertise and make investment in Bangladesh SME sector. Taewon Hong, resident trade representative of Korea Trade Center, Dhaka, is also seen in the picture.

# South Koreans keen to invest in SMEs

## 20-member ROK business delegation in city

STAR BUSINESS REPORT

South Korean small and medium enterprise (SME) entrepreneurs now in a three-day 'matchmaking mission' in Dhaka yesterday expressed deep interest in expertise exchange and making investment in the sector.

"Bangladesh has a potential SME sector and if entrepreneurs bank on cheap labour and low technology, it can be a springboard for Bangladesh's run to heavy industry," said Park Youn-kook, mayor of Korean SME-dominated Poncheon city.

The mayor, who is leading a 20-member business delegation, in an interview with The Daily Star yesterday said the visiting Korean entrepreneurs in one-to-one meeting with their Bangladeshi counterparts found prospects to form joint ventures in the sector.

"With Bangladesh having huge SME infrastructure, we both can cooperate in the promising sector. The entrepreneurs have fruitful talks and the details of the cooperation will be worked out later," he said.

Korean entrepreneurs take great interest in the export processing zones (EPZs) in Bangladesh, he said mentioning that Korea is the largest investor in the EPZs.

On export to South Korea, the

mayor said, "Quality is our prime concern and if Bangladesh manufacturers can produce high quality goods they have a fair chance to export to Korea."

He said about 1,000 Bangladeshis are working in Poncheon city and contributing to industrial growth in South Korea. "Bangladesh workers are reputed for their hard work and skills," said the mayor who came to Bangladesh on second leg of his South Asian business tour from India.

Located in the middle of the Korean peninsula, the 826 square km city is also a major tourist spot. Every year about one million domestic and international tourists visit the city, a one-hour drive from capital, Seoul.

"With the experience of hosting the huge tourist, we can also help develop Bangladesh's tourism sector," the mayor said.

He also welcomed Bangladeshi students to Poncheon, which has reputed engineering and IT institutions. "We will also allow students to work here," the mayor added.

Poncheon has 1540 SMEs and emerged as a major SME city in early 1990s producing allied food, household items, toys, beverages, sewing thread, fabrics, carpet, leather products, automobiles and other industrial parts and chemical products.

# First knitwear show begins Wednesday

UNB, Dhaka

A three-day exhibition of the country's knitwear industry begins here on Wednesday showcasing the progress of this apparel sub-sector to attract foreign buyers.

Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) is staging the "Knit Exposition 2004", the first of its kind in Bangladesh, at Hotel Sheraton.

"The exhibition is designed to introduce the industry both locally and internationally, attract foreign buyers and make it more strong," BKMEA President Mohammed Fazlul Huq told a press conference yesterday at the National Press Club, announcing the event schedule. Prime Minister Khaleda Zia is scheduled to inaugurate the fair at 11:30 am while Finance and Planning Minister Saifur Rahman, Textile and Jute Minister Shajahan Siraj and Commerce Minister Altaf

Hossain Choudhury will be present as special guests.

Knitwear manufacturers, local and foreign spinners and yarn traders, machinery and accessories suppliers, and printing and IT firms will put on display their products at 52 stalls in the exhibition.

The exhibitors include two Pakistani spinners, one Indian spinner and one Indian yarn trader.

Australian High Commissioner to Bangladesh, ambassadors of the Netherlands, Germany and Japan, and SDF representative are expected to join a seminar on "Bangladesh Export Oriented Knitwear Sector: Challenges in Sustaining Current Momentum Post-MFA Global Market" to be held on the sidelines of the exhibition on Thursday.

Knitwear exports registered 30 percent growth fetching about US\$ 2.15 billion in the last fiscal year (2003-04), with 76 percent value addition for the country.

# Poultry import ban may end this month in S'pore

ANN/THE STRAITS TIMES

Singapore hopes to decide by the end of the month when the ban on poultry imports from Johor and Malacca will be lifted.

This was revealed even as fresh cases of bird flu were found over the weekend in a quarantine area in northern Malaysia where workers have struggled for a month to eradicate the virus.

National Development Minister Mah Bow Tan expressed his hope that a decision would be reached by then when he spoke to reporters at a community event in Tampines yesterday.

The decision will take into account the report of officers from the Agri-Food and Veterinary Authority (AVA), who

returned yesterday from making inspections of farms in the two disease-free, southern states.

On Saturday, Malaysian authorities said they were hoping for poultry exports from the two states to resume as early as this week, reported wire agency Reuters.

But the fight to contain the disease suffered a setback yesterday, as Malaysia found more chickens dead from bird flu about 6km from a village in the northern state of Kelantan, where the disease was first detected on Aug 17.

The day after the initial outbreak, Singapore banned the import of poultry and eggs from

Malaysia, which supplies more than two thirds of the daily demand here.