

LDC exports fall short on stringent non-tariff steps

Speakers observe at WTO seminar

STAR BUSINESS REPORT

Developing nations and least developed countries (LDCs) are failing to tap potential markets in developed countries due to various stringent rules in the name of compliance with sanitary and phyto-sanitary standards, speakers observed at a seminar yesterday.

They said developed nations should give technical assistance to developing countries and LDCs to help them comply with the various standards set for entering the markets of the developed states.

The views were expressed at WTO sub-regional seminar on the sanitary and phyto-sanitary (SPS) measures agreement and its implementation in Dhaka.

The three-day international seminar was jointly organised by Ministry of Commerce and the World Trade Organisation (WTO) to create awareness about sanitary

and phyto-sanitary (SPS) agreement reached by the stakeholders. High-profile WTO experts are also attending the seminar.

"Most LDCs and developing countries have signed the Uruguay Round hoping that liberalised trade within the framework of a rule-based multilateral trading system would accelerate the pace of their economic development," Commerce Minister Altaf Hossain Chowdhury told the seminar.

But their hopes of harvesting the benefits under the multilateral trading system were changed to a sense of frustration, he said.

Sanitary and phyto-sanitary measures include all relevant laws, decrees, regulations, requirements and procedures including product criteria, processes and production methods, testing, inspection, certification and quarantine treatment.

The SPS agreement defines

rules for setting national standards and regulations relating to sanitary and phyto-sanitary measures as well as technical requirements for food safety and quality to avoid undue trade restrictions.

Economic Affairs Officer of WTO Michael Roberts, Felipe Vargas-Maza T of administration and general services division, Commerce Secretary Md Aminur Rahman also spoke at the seminar.

Rahman said SPS agreement should contribute to protecting the interests of the LDCs and developing countries against the practices as evidenced in some trade disputes because of small volume of trade involved.

"But the costs of compliance with such requirements appear to be expensive."

"In fact, SPS and other non-tariff measures may contribute to hindering our market access, particularly for agriculture, fishery, frozen food

and food products as the developed countries apply the SPS measures with greater stringency," Rahman said.

The SPS agreement also contains promises of financial and technical assistance, very little of which has so far been materialised, Rahman said.

"Today's trade is more complex and developing countries need more technical support and more specialised assistance from the WTO to help them implement the agreements," said Felipe.

"The developing and LDCs need the support in terms of suitable trade policies and updated legislative systems governing production and trade at both regional and international levels," he added.

Apart from 25 Bangladeshi participants, representatives from Bhutan, Nepal, Pakistan and Sri Lanka are attending the three-day seminar.

Trade thru' Bhomra land port disrupted on strike

UNB, Satkhira

Export-import trade through Bhomra land port halted yesterday for indefinite period following a strike called by a group of Indians, Bharatiya Nagarik Committee, on the other side of the border.

The committee went on strike demanding renovation of 20km road from Ghojadanga land port to Songrampur bridge in Uttar 24-Parganas district in India, according to information received here.

Over 200 cargo-laden trucks remained stranded at Ghojadanga land port for the haulage halt, inflicting loss on the businessmen of the two countries.

UK trade team in Dhaka

UNB, Dhaka

A trade team from the United Kingdom is now here doing the groundwork for an investment delegation of the UK to visit Bangladesh shortly.

The delegation is likely to be led by a trade minister of the UK, said Head of the South Asia Unit of UK Trade and Investment Office Mike Connor at a meeting with Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) President Abdul Awal Mintoo at his office yesterday.

Connor said during the tour, the delegation will also make an assessment of the performance of the British investors in Bangladesh and of the support they receive from the institutions concerned.

The FBCCI chief urged the British investors to come forward to invest more in energy, steel, gas-based and agro-based industries.

Connor was accompanied by Deputy High Commissioner and Commercial Counselor Robert Gibson, and Head of trade and investment of the British High Commission Clifford Bebb.

Handloom fair gets on in full swing

STAR BUSINESS REPORT

Aiming to boost traditional handloom products, a month long fair is in full swing in Dhaka displaying wide variety of products from bed sheets to T-shirts.

The fair, which began on Thursday and will run through the entire month of Ramadan, aims to lure customers by switching their interest from foreign products to once popular handloom items. The exhibition at Karwan Bazar remains open to visitors from 10am to 9pm everyday.

Handloom entrepreneurs say the traditional items are now losing market share as low priced foreign

apparel rule the market.

Bangladesh Handloom Board is organising the fair to popularise the traditional products and help handloom entrepreneurs cope with the severe competition.

"The fair is aimed at giving an opportunity to the producers to showcase their products and meet prospective customers," said a high official of Handloom Board.

A total of 50 handloom producers are participating in the fair, displaying traditional sari, lungi, towels, bed-sheet and apparels at 60 stalls.

"Most of the handloom units across the country have been damaged by the recent devastating floods," said Jinal Abedin, propri-

etor of Jinal Silk.

He said the participants hope to make up the loss from this year's flooding through this fair.

"We are producing hand made products targeting people of every class," said Billal Hossain, a handloom producer of Nargis Entrepreneurs.

He said people are increasingly switching to foreign-made garments, which are making local handloom items sick.

Now, some 3,00,000 handlooms are producing textile products to meet 63 percent of the total domestic demand, according to a survey of Bangladesh Handloom Board.



A high-powered World Bank (WB) delegation led by Sandeep Mahajan, senior economist, called on Mir Shahabuddin Mohammad, vice-chairman of Export Promotion Bureau, on Sunday in Dhaka to discuss issues related to a new WB-sponsored study on post-MFA strategy. Zaidi Sattar, senior economist of WB Dhaka Office, was also present.

Royal Cement corporate client of GP

Royal Cement Limited and its sister concerns have become corporate client of GrameenPhone (GP) Limited.

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

Head of Sales of GP Tanvir Ibrahim and Chairman of Royal Cement Ferdous Chowdhury signed the deal on behalf of their organisations.

Sister concerns of Royal Cement are Kabir Steel Limited, Kabir Oxygen Limited, Kabir Ship-breaking Limited, Khawja Ajmeer Steel Industries Limited, Khawja Ship-breaking Limited, Kabir Steel Re-Rolling Mills Limited and Valiant Garments Limited.

Bangla CAT Caterpillar dealer in Bangladesh

Singapore Caterpillar Inc has recently appointed Bangla CAT its Bangladesh dealer, says a press release.

Headquartered at Mohakhali in Dhaka, Bangla CAT offers machine and engine sales and training services.

WB to help Bangladesh in making post-MFA strategy

UNB, Dhaka

The World Bank will conduct a study for Bangladesh to formulate post-MFA strategy.

New foreign direct investment policy, productivity and competitiveness of different export sectors of the country will be the highlights in the proposed study.

A high-powered delegation from the World Bank led by Sandeep Mahajan, a senior economist, called

on Vice-chairman of Export Promotion Bureau Mir Shahabuddin Mohammad Sunday and discussed issues related to the donor's initiative. Senior Economist of the World Bank Dhaka Office Zaidi Sattar was also present.

The delegation emphasised assessing different productivity components of exportable and thereby adopting policy measures to make the products more competitive.

"In the post-MFA era, what is

needed is to make exportable more competitive," the delegation opined.

The EPB vice-chairman told the delegation that the government is taking necessary steps to face the post-MFA challenges. The Gherzi Report on textiles also came up for discussion.

He assured the delegation of all possible helps and cooperation from the EPB in making the study fruitful.



Head of Sales of GrameenPhone (GP) Limited Tanvir Ibrahim and Chairman of Royal Cement Limited Ferdous Chowdhury sign an agreement on behalf of their organisations recently in Chittagong. Under the deal, Royal Cement and its sister concerns have become corporate clients of GP.

GMG Holidays launches Kolkata Eid shopping package

GMG Holidays, a sister concern of GMG Airlines, has introduced a special family package for travellers intending to visit Kolkata for Eid shopping.

Starting from US\$538 for a family of three, the package offers return air ticket on Chittagong-Kolkata-Chittagong route by GMG Airlines along with two nights stay at a five-star hotel in Kolkata and daily buffet breakfast, says a press release.

Besides, all passengers can carry 30 kg of checked in baggage instead of the present 20 kg.

The offer is valid until November 30.

'Oil prices set to remain high for some time'

AFP, Frankfurt

The global economy appears to have entered a phase when oil prices will remain high for a long time, the Bundesbank wrote in its October monthly report published Monday.

"On the international oil markets, prices have shot up as far as 50 dollars per barrel in recent weeks. In fact, given continued strong international demand and restricted capacity reserves, the impression has arisen that oil prices will remain high for a long time," the German central

bank said.

On Monday, oil prices shot up to a new record high of more than 55 dollars per barrel.

The Bundesbank's comments appear to differ from the official view of the European Central Bank which has so far said the rise in the price of oil has been exaggerated and will soon start to come down.

In its last economic projections published in June, the ECB said it was expecting oil prices to average 34.6 dollars per barrel this year and then to fall to 31.8 dollars next year.

China's first private airline flies this year

AFP, Beijing

China's first private airline is expected to launch its service by the end of this year, state media reported Sunday.

Okay Airways is currently undergoing the final stage of official review, which is expected to finish on November 20, Xinhua news agency quoted the government aviation regulator as saying.

Tianjian-based Okay, also known as Aokai Airlines in China, plans to fly a fleet of six Boeing 747 aircraft and will focus on domestic air cargo and passenger charter, the

report said.

Two other Chinese private airlines, United Eagle Airlines and Air Spring, are also applying for permission to fly.

Xinhua said Sichuan-based United Eagle is expected to fly early next year.

It said Shanghai-based Air Spring plans to fly to the United States and Europe.

The Civil Aviation Administration of China gave the green light for the establishment of private airlines in May, ending the government's monopoly on passenger carriers.

Eurozone recovery continues despite rise in oil prices

AFP, Frankfurt

Economic recovery in the 12-country eurozone is continuing, even if uncertainty rising from the oil price and from mixed economic data has increased, a top official of the European Central Bank said in a newspaper interview published Monday.

"Naturally, uncertainty has increased as a result of oil prices and of a few mixed economic signals," ECB executive board member Jose Manuel Gonzales-Paramo told the business daily Handelsblatt.

"But I don't believe so far that we have to alter our forecasts. Recovery is continuing," Gonzales-Paramo said.

In its latest updated economic forecasts published in September, the ECB said it was pencilling in

growth of 1.6-2.2 percent in the single currency area in 2004, which would then pick up to 1.8-2.8 percent in 2005.

Private consumption growth will also accelerate from 1.2-1.6 percent this year to 1.5-2.7 percent next year, the guardian of the euro believes.

High energy prices would not change that scenario much, Gonzales-Paramo said.

"The effect of energy prices is important, but will remain limited," he said.

Gonzales-Paramo also rejected suggestions that the ECB was becoming increasingly worried about the negative economic effects of the runaway price of oil and had therefore set back any potential upward moves in interest rates in order to safeguard recovery.

Tk 300cr new food security programme for Barisal division

A new food security programme has been launched for Barisal division.

An agreement to this effect was signed between the Ministry of Food and Disaster Management and Save the Children USA, an international NGO working in Bangladesh.

Md A Rashid Sarker, additional secretary of the Ministry of Food and Disaster Management, and Edward Olney, country representative of Save the Children USA, signed the agreement on behalf of their organisations in Dhaka on Sunday, says a press release.

The five-year agreement will help implement the programme in 11 upazilas in Barisal, Patuakhali and Bhola at a cost of Tk 300 crore.

The objectives of the programme include providing increased availability and access to food at the household level, improved use and utilisation of food for children and enhanced resiliency to food security shocks at the household and community level.