

European Commission adopts GSP proposal for 2006-08

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The European Commission yesterday adopted a proposal setting out the details of the EU system of trade preferences (generalised system of preferences -- GSP) for the period 2006-2008.

The proposal was built on the auidelines issued by the Commission in July. The GSP is a key instrument to help developing countries reduce poverty by stimulating their exports to the EU, according to a press statement issued by Delegation of the

European Commission yesterday. The Commission proposed improving the current system in a number of areas: simplification (cutting back from five to three separate arrangements); expand-

CURRENCY

73.1640

34.9539

Indian rupee Pak rupee Lankan rupee Thai bath Nor kroner NZ dollar

ing the product coverage; focusing the benefits of those developing countries most in need; and setting up an additional GSP benefits to encourage sustainable develop-

LDCs continue to receive the most favourable regime under the 'Everything but Arms Initiative.'

Among the GSP beneficiaries. China (35.8 percent of the total volume of EU GSP imports), India (11.8 percent) and Indonesia (five percent) were the main exporters to the EU in 2002, with Bangladesh (3.9 percent) ranking seventh as first representative of the beneficiaries of the EBA initiative.

A simpler GSP: the current five GSP arrangements are reduced to three: a general arrangement (reduction of 3.5 percent over the

normal customs duty for sensitive products, reduction of duties to zero for non-sensitive products); EBA -- giving duty-free and quota free access for all products for the world's 50 poorest countries; and a new GSP-- giving tariff preferences to vulnerable countries who meet the new objective criteria for sustainable development and good governance (reduction to zero duty

for a total of 7200 products). The EU absorbs one fifth of developing country exports. Around 40 percent of EU imports originate in developing countries. The EU is also the world largest importer of agriculture products from developing countries, absorbing more than the US, Canada and Japan, taken together.

From the preferential imports

under this regime in 2003, half were duty free and half at a reduced duty. In 2003 EU imports under GSP amounted to 52 billion

The EU was the first to implement a GSP scheme in 1971. The EU's GSP grants products imported from the 178 GSP beneficiary countries either duty-free access or a tariff reduction depending on which of the GSP arrangements the country enjoys.

The EU's GSP is implemented following cycles of ten years for which general guidelines are drawn up. The present cycle began in 1995 and will expire on December 31, 2005.

In July the Commission adopted the guidelines for the

Winter fuel worries keep oil prices above \$54

AFP, London

58.4625 72.8618

34.8095

Oil prices remained stubbornly above 54 dollars Thursday, creeping up towards new record summits on worries of a winter supply crunch after a fifth straight weekly fall in US heating fuel stockpiles.

The price of reference light sweet crude for delivery in December climbed by four cents to 54.45 dollars a barrel in electronic trading on the New York Mercantile Exchange.

The November contract, which expired at the close of trading on Wednesday, shot to a high of 55.20 dollars a barrel before ending at 54 92 up 1.63 dollars on the day and one cent shy of a record settle-

In London Brent North Sea crude oil for December delivery increased by 36 cents to 50.88 dollars in electronic deals.

A US Department of Energy weekly snapshot of oil stocks released Wednesday showed stocks of distillates -- mostly diesel and heating oil -- fell 1.9 million barrels to 119.0 million in the week to October 15. It was the fifth consecutive weekly decline.

A key distillate, heating oil, slipped 500,000 barrels to 49.5

"This remains a light-productsled market," Societe Generale analysts wrote in a note to clients.

"Distillate's 1.9-million-barre stockdraw was double market expectations," they noted.

Annual confce of Crocodile product distributors held

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The annual conference of distributors and sellers of Crocodile products was held in Dhaka yesterday.

Milton Trading International, a concern of Bangas Tallu Group and the authorised partner of Crocodile products in Bangladesh, organised the conference.

Speaking at the function, Tan Hian Tsin, founder and chairman of Singapore-based fashion house Crocodile International, asked the distributors and gallery owners to promote Crocodile brand in Bangladesh.

Mozammel Hague, founder of Bangas Tallu Group, Rafiqul Haque, chief executive of Milton Trading International, and Atiqul Haque of Milton International were present at

Citigroup to acquire ABN AMRO's businesses

Citigroup, the parent company of Citibank NA, recently announced that it is acquiring ABN AMRO's direct custody, securities clearing, and fund services businesses in selected European and Asian

Upon completion, these ABN AMRO businesses will join the Global Transaction Services unit (GTS) in Citigroup's Global Corporate and Investment Banking Group, says a press release.

The transaction is expected to broaden the product capabilities and client growth opportunities for GTS, one of Citigroup's publicly reported business units

Agri sector has potential for further investment

State minister for agriculture says

STAR BUSINESS REPORT

High value crops, organic agro products, poultry, livestock and fisheries along with agro processing can open door for local and foreign investment, State Minister for Agriculture Mirza Fakhrul Islam Alamgir, observed yesterday in Dhaka

The state minister quoting proceedings of some 11 seminars, held during the first-ever exposition on agro-based industries titled 'Agri-Invest 2003 Bangladesh' in December last year, said in order to develop the agricultural sector the government has reduced interest rate from 10 percent to 8 percent and is giving 20 percent rebate on

electricity and 30 percent cash incentives on vegetable export.

"The future economy of Bangladesh lies on the development of agriculture sector and for this we must develop the sector," the state minister said.

The state minister was speaking at the function to mark the launch of a book titled 'Agri-Invest 2003 Bangladesh', which contains the proceedings of the 11 seminars.

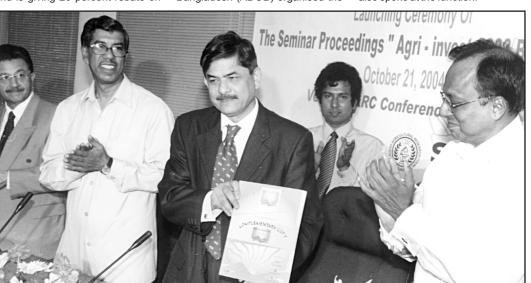
Ministry of Agriculture, Board of Investment (BoI) and Bangladesh Agriculture Research Council (BARC) in collaboration with SouthAsia Enterprise Development Facility (SEDF) and Agribusiness Development Organisation of Bangladesh (ADOB) organised the three-day fair to promote agribusiness and attract foreign invest-

Speaking at the function, Bol Executive Chairman Mahmudur Rahman said agriculture has become a potential sector for investment and now it is the third largest sector after RMG and textile where

MA Razzague, member director (Crops) of BARC, said agribusiness development is necessary for further poverty reduction of Bangladesh.

the entrepreneurs are focusing on.

Anil Sinha, general manager of SEDF, Nurul Alam, executive chairman of BARC, and AFM Fakhrul Islam Munshi, president of ADOB, also spoke at the function.



State Minister for Agriculture Mirza Fakhrul Islam Alamgir (3rd from left) holds a book titled 'Agri-Invest 2003 Bangladesh' at its publication ceremony in Dhaka yesterday. The book contains proceedings of 11 seminars held the first-ever exposition on agro-based industries titled 'Agri-Invest 2003 Bangladesh' in December last year. Board of Investment (Bol) Executive Chairman Mahmudur Rahman (right) is also seen.