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সময়: সকাল ১০টা থেকে রাত ১০টা পর্যন্ত (শুক্রবার বন্ধ)

No aid needed at cost of national pride

Saifur tells BEA biennial conference

STAR BUSINESS REPORT

Finance Minister M Saifur Rahman yesterday said Bangladesh does not need foreign aid at the cost of its dignity and pride.

"I do not want to see Bangladesh crying like a child in the international forum for aid. We are no more interested in that sort of aid," he said while addressing a session of the fifteenth biennial conference of Bangladesh Economic Association (BEA) in Dhaka yesterday.

Saifur observed the international aid should not be sought surrendering national dignity.

He said the country does not lack resources rather it lacks capacity of resource utilisation and policy implementation.

He said Bangladesh has reason to be proud of as it is feeding over 140 million people with a small land of only 55,000 square kilometers.

"Still we have huge unutilized

resources which can create extra dimension in our economy if explored properly, Saifur said.

He underscored the need for good governance, good politics, bringing reforms in various sectors and internal resource mobilisation for a self-reliant Bangladesh. "Good governance cannot be ensured without good politics in the country. But, we have to generate more resources to meet development expenditure."

The finance minister also highlighted on developing the agricultural sector through diversification of crops, adoption of high yielding varieties for increased production and development of human resources through education and training for sustaining in the twenty-first century.

He also underscored the need for a neutral and informative press, freedom of Bangladesh Bank, healthy political environment,

strengthening National Board of Revenue's authority in tax collection for macro economic stability in Bangladesh.

The minister said the challenge for Bangladesh's economy is to decide whether it should spend money for infrastructure development for job creation or for education and health care services.

He noted that the education programme for women received appreciation throughout the world.

Saifur who returned from India after attending a world economic forum meeting told the seminar that many delegates showed interest in Bangladesh's education programme for women. "We are ahead of many countries in this regard."

Referring to inter-trade agreements among Saarc countries, the finance minister ridiculed various trade negotiations which are going on in the name of FTA, Safta and

BIMST-EC and termed those as 'talk shops' without generating any meaningful result.

"I urged the Indian leaders to allow all goods from Bangladesh instead of accepting a preference list for taking a lead in economic development in the region."

Regarding poverty reduction strategy of the government Saifur said the target of poverty reduction is a short-term goal but the final goal is to create job opportunity and increase people's earnings.

He also underscored the safety net measures for the ultra poor and vulnerable groups for survival in a free economic society. He said the vulnerability in the economy began in 60s and it is still prevailing.

Eminent economist Prof Musharraf Hossain inaugurated the biennial conference in the morning while BEA President Dr Qazi Kholiquzzaman Ahmad presided over the session.

CPA penalises 30 vessels during special drive

CU CORRESPONDENT

Chittagong Port Authority (CPA) has penalised 30 vessels and detained four others on various charges including illegal entrance into port channel, overloading, tax evasion and possessing false driving licence.

The CPA has imposed a fine of TK 4.5 lakh to the vessels while conducting a special drive from Potenga estuary to Shah Amanat bridge area.

The objective of the two-day special drive was to bring discipline in movement of ships and ensure safety to the seagoing vessels.

CPA Magistrate Mohammed Munir Chowdhury conducted the drive which ended yesterday.

Emirates reschedules some flights to Dhaka

Emirates has rescheduled the timings of some of its flights to and from Dhaka with effect from December 1, 2004 to January 30, 2005.

Under the new schedule, flight EK338 arrives in Dhaka from Dubai at 1130 hours and departs for Kuala Lumpur at 1245 hours, while the return flight EK339 arrives in Dhaka at 2200 hours and departs Dhaka at 2310 hours for Dubai.

Flight EK582 arrives in Dhaka from Dubai at 0955 hours and the return flight EK583 departs Dhaka for Dubai at 1135 hours.

China, Gulf nations to launch FTA talks in January

AFP, Beijing

China and the six-nation Gulf Cooperation Council (GCC) will begin a first round of negotiations over setting up a free trade agreement (FTA) next month, state media reported Wednesday.

"The first round of the FTA talks will start in January, most probably in Riyadh, Saudi Arabia," Faisal Al-Ghais, chairman of the GCC ambassadors in Beijing, was quoted as saying by China Daily.

The GCC groups Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates.

The FTA deal is expected to include tariff reductions, simplification of the flow of goods and facilitation of mutual investments between China and Gulf nations, the newspaper said.

The report did not put a value on the FTA but said bilateral trade between China and GCC nations is estimated to exceed 20 billion dollars in 2004, compared with 16.9 billion dollars in 2003.

China is the GCC's third largest trading partner after the United States and Japan.

"The two sides will pursue a gradual and practical approach following the China-ASEAN FTA model," Al-Ghais said.

The negotiations will start with goods, before moving onto "more complex" issues such as mechanisms of dispute settlement, investment and services.

US union chief wants workers to accept globalisation

AFP, Miyazaki, Japan

Globalisation is here to stay and the labour movement must adapt by fighting across national lines for an international order that protects workers, the head of the top US union federation said.

John Sweeney, president of the American Federation of Labour and Congress of Industrial Organizations (AFL-CIO), said workers from across the world needed to band together in face of the rapidly changing economic order.

He travelled to the Japanese town of Miyazaki to talk strategy with activists from 150 countries taking part in the 18th World Congress of the International Confederation of Free Trade Unions.

"People are starting to recognise that something has to be done and the globalisation is here to stay, but it has to also work for working people, as well as for capital," Sweeney told AFP.

Sweeney said that world bodies, notably the International Labour Organisation (ILO), had been outspoken in their defense of workers -- fighting for example against child and forced labour -- but needed more teeth.

NRBs asked to bring in foreign investors

STAR BUSINESS REPORT

Local business community yesterday asked non-resident Bangladeshis (NRBs) living in the United Kingdom to work as ambassadors to bring in foreign direct investment (FDI) to Bangladesh.

They also asked NRBs to invest in their motherland coming out from trading mindset.

Bangladesh can get as much as \$1 billion FDI if NRBs start advocacy campaign and persuade foreign entrepreneurs to invest here. The local business leaders also said that Bangladesh can explore large ethnic market in the UK and other parts of the world in cooperation with NRBs.

The observations came at a meeting between leaders of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) and Bangladesh-British Chamber of Commerce (BBCC) in Dhaka yesterday.

Citing FDI success in some countries, speakers said Indian and Taiwanese expatriates are not only investing on their own but also bringing in big foreign companies to their motherland.

Speaking at the meeting, Wali Tasar Uddin, director-general of BBCC, said with Bangladeshi community growing in the UK and other parts of Europe, local businessmen can explore and expand ethnic market there.

"There are some 9,000 hotels and restaurants in the UK owned or managed by Bangladeshis. These hotels import about 3.5 billion pound worth products a year. With emotional bondage in place, local businessmen can grab a big chunk of the market," said Tasar, a Bangladesh-born UK entrepreneur.

He disclosed that the bilateral chamber (BBCC) in association with Export Promotion Bureau and British and Bangladeshi high commissions will organise a single country trade fair in London from September 15-17, 2005.

About role of NRBs in channeling FDI, he said Bangladeshi expatriates are involved in politics there. This practice only contributes to lose credibility eluding Bangladesh of FDI, the UK's leading restaurant businessman deplored.

Chairing the meeting, FBCCI President Abdul Awal Minto said India has become a major FDI

recipient in the region as non-resident Indians invest in their native land as well as persuade foreign companies to make investment.

"Bangladesh can reap the same success if NRBs advocate for their motherland in the foreign soil. They can play catalytic role in channelling FDI," he headed.

A Rouf Chowdhury, a director of FBCCI, said Bangladesh is a victim of negative impressions in foreign countries. "NRBs can play a vital role to remove the bad impression."

Abdur Rouf, president of BBCC, Scotland chapter, said Bangladeshi residents and expatriates need to have more interactions to develop business relations.

Abul Kashem Haider, vice-president of FBCCI, said instead of engaging in politics too much, Bangladeshi expatriates should put efforts for welfare of their motherland by making investment there.

Kamalluddin Ahmed, first vice-president of FBCCI, SM Anwar Hossain, president of BBCC-Bangladesh chapter, and other directors of FBCCI also spoke at the function.

Dollar rises, investors focus on rates

REUTERS, London

The dollar gained ground on Wednesday, as investors took profits on other major currencies on signs that currency strength may prompt some central banks to scale back interest rate tightening.

Worries about the United States' ability to fund its huge current account deficit have led to persistent weakness in the dollar, taking it to fresh record lows against the euro on Tuesday and five-year lows against the yen last week.

But investors took profits on the climb of a broad spectrum of currencies against the dollar as decisions by Canada and Australia this week to leave interest rates unchanged sparked concern about the speed of the recent currency moves and their effect on economic growth.

"Moderating interest rate expectations combined with the end-of-year dollar profit-taking effect, that's what is pushing the dollar higher," said Adam Myers, foreign exchange strategist at Societe Generale.

"I still think the dollar is a good sell but it looks like the market has got to push the dollar higher a bit before it comes back," he added.

The dollar pierced the \$1.33 barrier to this week's high of \$1.3294 per euro in early European trade, nearly two cents above record lows of \$1.3470 set in the previous session. By 5:44 a.m. EST, the dollar stood at \$1.3314 per euro, up three quarters of a percent from the U.S. close.

Asia to intervene less in forex in 2005: Citigroup

REUTERS, Singapore

Asian central banks will cut down on intervention in 2005 as they face rising costs for a policy of weakening their currencies, inflationary pressures and a growing consensus on the need for further US dollar weakness, Citigroup said.

In a report on Asia's 2005 prospects, released in Singapore this week, Citigroup also said Asian central banks are unlikely to diversify their foreign exchange reserves away from US dollars too rapidly for fear of exacerbating the dollar's decline.

"We continue to see resumption of some Asian central bank intervention, initially due to growth concerns," said Citigroup, the world's biggest bank by assets.

"But these should remain less virulent in 2005 compared with 2003 and first-quarter of 2004, because sterilisation costs continue to build, because Asia is more focused on monetary control in the face of inflation risks and because there is greater global policy consensus on the need for further US dollar weakness."

Most Asian currencies have risen rapidly since October against the sharply falling US dollar, giving rise to speculation the region's central banks are finally accepting that their currencies should strengthen.



PHOTO: STAR

Wall Tasar Uddin, director-general of Bangladesh-British Chamber of Commerce (BBCC), speaks at a meeting with members of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) in Dhaka yesterday. Abdul Awal Minto, president of FBCCI, SM Anwar Hossain, president of BBCC-Bangladesh chapter, and Abdur Rouf, president of BBCC-Scotland chapter, are also seen in the picture.

9 countries propose Dhaka to open up service sector

ActionAid Bangladesh smells rat

UNB, Dhaka

Nine developed and developing countries have proposed Bangladesh to open up its service sector, which could in turn turn millions of local professionals out of their jobs.

"Multinational companies will replace local employees with foreign ones if the government opened up the sector," an ActionAid Bangladesh executive, Ziaul Hoque Mukta, told newsmen at a press briefing here yesterday.

He apprised the press of the move drawing information from the Internet (www.polarisinstitute.org) as well as from their own sources.

He said the proposals to open more than 50 areas, now awaiting government approval, were made under cover of the General Agreement on Trade in Services (GATS) of the World Trade Organisation (WTO).

He noted with concern that the proposals, if granted, would hit the country's GDP as the service sector contributes about half of it.

The nine proponents are European Union, Sri Lanka, Malaysia, Hong Kong, Japan, Korea, Norway, Singapore and the United States of America.

Mukta said the file now on table for government's consideration stated: "Member States are requested to ensure that this text is not made publicly available and is treated as a restricted document."

The EU requested to open the computer and related sectors, telecommunications, construction and related sectors, environment, finance, and transportation.

Sri Lanka requested to open business, transportation, finance, and tourism and travel sectors.

Malaysia seeks the opening of

business and communications sectors.

Hong Kong pleaded for opening communications sector, including internet and telecommunications.

Japan requested the opening of infrastructure sector, and Korea for professional sector and others, including advertisement and printing, communications, construction and related sector, finance sector, including banking and insurance, amusement, cultural and sports sectors.

Norway requested to open telecommunications and environment sectors while Singapore requested for transportation sector.

But the USA did not request anything specific. They just requested fulfilling the requests of the other countries.

As per WTO provision, if the agreement is done between two member countries, the facility would go to the other 144 countries as well.

"The procedure starts bilaterally with the Requested Offer Letter and it ends with multilaterally," said Ziaul Hoque Mukta.

The ActionAid Bangladesh executives also said that this kind of agreement is very much dangerous for the Least Developed Countries (LDCs) of the world.

The process of this kind of agreement, named GATS 2000, was started in 2000. It provides that the countries under the WTO will send request letter to the other countries within June 30, 2000. But Bangladesh did not give any request letter to any country under the WTO while got more than 50 requests from nine countries, the newsmen were told.

Under the agreement the countries which send the requests will get various benefits, including most

favoured-nation treatment, free access to local market under the GATS rules, national treatment to the people who will come for services.

Under the GATS agreement, there are two types of commitment: Market Commitment and Applicability of the all requests.

On the other hand, the requests placed by the developed countries with Bangladesh are most horizontal -- those are applicable for all sectors.

The ActionAid Bangladesh, a major NGO, also said that developed countries made this regulation through "forgery".

"There was a meeting of the General Council of the WTO held from July 27 to July 31 this year. But in the meeting the member countries of the WTO did not discuss the service sector. This was named the July Framework. But in the main copy of the framework the service sector was included and all the members were forced to sign on the agreement," Mukta said.

The WTO also gave a new chance to the LDCs to give offer letters to the developed countries about the opening of the service sectors in their respective countries till April 2005.

"If the concerned authority of the country did not disagree with this type of agreement in the Ministerial Conference scheduled in Hong Kong for December next year, then we'll lose almost everything," the ActionAid executive feared.

They pressed their three demands: no offer should be accepted, the decision should come through national solidarity, and the attack of the GATS resisted as it is an undemocratic organisation.

AFP, THE HAGUE

The European Union called on China at a summit here Wednesday to rein in its textile exports after international quotas are scrapped next year.

A spokeswoman for European Commission chief Jose Manuel Barroso said the EU had urged Chinese Prime Minister Wen Jiabao to exercise "moderation" once the import quota system is lifted on January 1.

"We launched an appeal to China... for moderation, to avoid that this creates a lot of problems to

less developed countries like Bangladesh for example," Barroso's spokeswoman Francoise Le Bail told reporters.

She said that China deserved to have the quotas lifted, having joined the World Trade Organisation (WTO), "and it is quite normal that China will benefit from it."

But Le Bail added: "They understand that it is not in their interest to be perceived as a threat by their partners in the region."

"We appeal to China... to understand that as a global player they have to exert moderation," she

said, adding: "The question is not (import) restrictions, the question is moderation."

Some estimates predict that China's world market share of textiles and clothes will rise from 17 percent in 2003 to up to 50 percent when the import quota system is dismantled.

Analysts say a spike in cheap Chinese textile exports could bring disaster to textile industries in developing countries and cause job losses in European countries that find it difficult to compete with China.

ONE Bank
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Head Office: 45 Dilkusha C/A, Dhaka-1000

NOTICE TO THE SHAREHOLDERS

This is for kind information of our esteemed Shareholders that the Securities and Exchange Commission (SEC) has declared that the Shares of ONE Bank Limited (OBL) will be settled through the Central Depository System (CDS) in Dematerialized (Demat) form with effect from Wednesday, December 22, 2004 under the following time-table:

- December 18, 2004** - Spot trading of OBL shares on the Stock Exchanges.
- December 19-21, 2004** - Trading of OBL shares to remain suspended for 3 days.
- December 22, 2004** - Commencement of Demat Settlement of OBL shares for trading on the Stock Exchanges.

Accordingly, from December 22, 2004 onward, all transfer of shares of the Bank will take place through the CDS operated by the Central Depository Bangladesh Limited (CDBL). Honourable Shareholders will therefore be required to dematerialize (Demat) their Share Certificates by opening a Beneficiary Owner (BO) Account in the CDS with any Depository Participant (DP) in case of transfer of shares.

The investors who are holding Bank's Shares without registration in their own names are requested to do so within next 6 months from the Demat Settlement Date of Stock Exchanges i.e. December 22, 2004. Otherwise as per CDBL Bye Law 9.1.3, prior approval from SEC will be required for registration.

John Sarkar
Dated, Dhaka
December 9, 2004

SVP & Company Secretary
(on behalf of the Board of Directors)