

## Tripura keen to host Bangladesh trade fair

### Chief minister talks to DCCI delegation

#### STAR BUSINESS REPORT

Tripura, a northeastern Indian state, has urged Bangladeshi entrepreneurs to hold an exclusive trade fair for their products in Agartala to promote bilateral trade between the two countries.

Chief Minister of Tripura Manik Sarkar made the call when a seven-member delegation of Dhaka Chamber of Commerce & Industry (DCCI) visited Agartala to attend the 16th Tripura Trade & Industries Fair from February 2 to 3.

Manik Sarkar assured Bangladeshi business leaders to extend all-out cooperation to organise such a fair there.

The chief minister also stressed the necessity to utilise Ashuganj river port and take steps to introduce direct bus service from Agartala to Kolkata via Dhaka, extend train line from Akhaura to Agartala and build Agartala land port.

Sarkar also proposed to hold a meeting between DCCI and Tripura Chamber in every three-month.

DCCI leaders requested Tripura policy makers to resolve issues such as decreasing high bank charges, improving infrastructure of Ashuganj inland port and other existing non-tariff barriers so that Bangladeshi products can easily get access to Tripura, said a statement issued by DCCI.

Responding to these issues, the chief minister assured DCCI of looking into the problems and observed it is possible to carry out business between Tripura and Bangladesh despite these barriers if the entrepreneurs of the two countries are serious.

Sarkar also invited Bangladeshi investors to set up industry in Agartala, saying both the nations will be benefited if trade between Bangladesh and Tripura is increased.

Acting President of DCCI Manzur-Ur-Rahman (Ruskin) led the delegation and spoke at the inaugural session of the fair as special guest. The seven-member delegation also comprised of KMH Shahidul Haque, Alauddin Malik, Shafiq Hossain, directors, Ashraf Ibn Noor, former senior vice-president, Hossain A Sikder and Syed Habibur Rahman.

Bangladeshi business leaders had a meeting with the chief minister on February 3. Industry & Trade Minister Tapan Chakrabarti, President of Tripura Chamber of Commerce & Industry ML Debnath and other senior government officials were present in the meeting.

DCCI leaders and the business and policy makers of Tripura underscored the need for promoting trade between Bangladesh and Tripura.

## BFFEA election held

### Amin Ullah president, Tauhidur SG

#### STAFF CORRESPONDENT, Ctg

Mohammad Amin Ullah and Tauhidur Rahman were unofficially elected president and secretary general respectively of Bangladesh Frozen Foods Exporters Association (BFFEA) in the biennial election of the organization held simultaneously at both of its Chittagong and Khulna offices yesterday.

The election result will be officially announced on February 23, sources said.

In the election held at the association's Agrabad office in the port city Amin Ullah of Minhar Fisheries Ltd won the position of president defeating his opponent Md Golam Mostafa of Coastal Sea-foods Ltd by a single vote.

29 voters out of 33 exercised their franchise in the polls that started at 9am and continued till 4pm.

All the rest of the six posts including vice-president, joint-secretary general and four members were filled in elections unopposed earlier.

Maqsudur Rahman of Mahi Fish Processing Limited was unanimously made the vice-president while Ashim Kumar Barua of Apex Foods Limited won the post of joint-secretary general. The office

bearing members were: Md. Salahuddin Ahmed of Fish Preserver Ltd, Nazir Ahmed of Sirajul Islam Chowdhury Trawlers Ltd, Golam Kibria Sarker of Frozen Foods Ltd and Mostafa Arif Chowdhury of Amin Fish Firm and Industries Ltd.

In the Khulna region, election for six posts were held yesterday and the rest two posts of vice-president and joint secretary general were elected uncontested.

Quazi Belayet Hossain of Chhabhi Fish Ltd and Major (ret'd) Akter Hossain Bir Bikrom of Cope Commercial Ltd won the posts of vice-president and joint general secretary respectively.

Tauhidur Rahman of Fresh Foods Limited was elected the secretary general bagging 24 votes to defeat S Humayun Kabir.

36 voters out of 38 turned up in the polls where seven candidates vied for the five member posts from Khulna.

The winning members were: Shyamal Das of MU Sea Foods Limited, Quazi Shah Newaz of Prince Sea-foods Ltd, AHM Shahadat Ali Khan of New Foods Ltd, Shahedur Rahman of Saint Martin Frozen Foods Ltd and Quamrul Islam of Rupali Sea-foods.

## Agrani Exchange sends Tk 147.15cr remittance in '04 from Singapore

A remittance of a total Tk 147.15 crore came to Bangladesh from Singapore in the year 2004 through the Agrani Exchange House Private Ltd, a subsidiary of Agrani Bank.

The 4th board meeting of the company held recently in Singapore revealed this.

Chairman of Agrani Exchange and Managing Director and Chief Executive Officer (CEO) of Agrani Bank Syed Abu Naser Bukhtear Ahmed presided over the meeting. Towfique Islam, director, Shams-Ul Islam, CEO and director of the company, among others, were present at the meeting.

Since its inception in February 2002 in Singapore, the company has sent approximately Tk 335.31 crore till date from Singapore to Bangladesh, says a press release.

During the meet in Singapore on January 27 Bukhtear Ahmed along with Mokammel Hossain, first secretary (Labour) of Bangladesh High Commission in Singapore, also visited a hostel of around 4,000 Bangladeshi workers in Jurong Industrial Area of Singapore. Bukhtear assured the expatriates that the bank is committed to transfer foreign remittance within 72 hours to any account maintained with Agrani Bank.

## Indian co may buy stake in former Yukos core asset

#### AFP, Moscow

India's state-owned oil company Oil and Natural Gas Corporation (ONGC) may acquire a stake in Yuganskneftegaz, once the main asset of the dismembered Yukos energy giant and now part of Russia's state-owned Rosneft, Rosneft's chairman said late Saturday.

"Russia has received offers (to that effect) from the Indian company," Sergei Bogdanchikov was quoted as saying by the Interfax news agency. Rosneft was currently studying ONGC's offer, he added.

ONGC is also expressing interest in taking part in oil projects on Sakhalin (a Russian Far-Eastern island) and in the Pechora region," in Russia's polar North, Bogdanchikov added.

Bogdanchikov also denied allegations that Rosneft had had secured a credit line abroad to purchase Yukos core asset Yuganskneftegas for 9.3 billion dollars (7.2 billion euros) last December.

Rosneft recently secured a credit line of six billion dollars (4.6 billion euros) from Chinese banks using Russian state bank Vnesheconombank as an intermediary in return for guaranteed oil deliveries to China's state oil firm CNPC, it emerged Tuesday.

Shedding light on the financing of the mystery takeover of Yuganskneftegaz, Finance Minister Alexei Kudrin told reporters that Chinese banks had lent Vnesheconombank six billion dollars to enable it in turn to provide financing to Rosneft.



PHOTO: STAR

A group of day labourers sit idle in Naya Bazar area during hartal hour in Dhaka yesterday. Plight of the labourers, who usually work in construction projects, escalates, as they cannot find work, thanks to the recent strikes, which have crippled the economic activities across the country.

## G7 opens door to full debt relief of poorest nations

#### AFP, London

The Group of Seven has opened the door for unprecedented 100 percent multilateral debt relief for the world's poorest countries but charities and experts are doubtful that such a move will see the light of day.

Finance chiefs from Britain, Canada, France, Germany, Italy, Japan and the United States broke new ground here Saturday as they for the first time expressed readiness in a formal statement to provide 100 percent debt relief for the world's poorest nations.

The pledge came at the end of a two-day meeting of G7 finance ministers and central bankers during which a US-Europe rift threatened to torpedo a British-led initiative to tackle global poverty, dubbed a modern day Marshall Plan.

"G7 finance ministers have buried their differences and agreed

to move together on debt, aid and trade," said Max Lawson, senior policy adviser for the charity Oxfam.

"They've passed the first hurdle of 2005, but they need to move quickly to turn their proposals into real change for the world's poorest."

"Two million children will die needlessly between now and the next meeting in April. If rich countries are going to keep their promises to tackle obscene poverty they need deliver -- and deliver quickly," he added.

A statement Saturday said G7 countries had "agreed on a case-by-case analysis of HIPC countries, based on our willingness to provide as much as 100 percent multilateral debt relief."

The Heavily Indebted Poor Countries Initiative (HIPC) is a joint project of the World Bank and the International Monetary Fund (IMF) that offers debt relief to the world's most impoverished nations that

agree to undertake economic reform.

"This is the first time as much as 100 percent debt relief has ever been detailed in a G7 communique," Brown, whose government holds the current presidencies of the G7 and G8, told reporters at the meeting's conclusion.

But Britain's finance minister failed to win US approval for his ambitious scheme to provide debt relief and trade benefits to poor nations modelled on former US secretary of state general George Marshall's grand project to restore the European economy from the devastation of World War II.

"The US is committed to poverty reduction for heavily indebted countries but we cannot support the IFF," US Undersecretary of the Treasury John Taylor told a news conference Saturday.

## Beverage cos hail HC verdict on mandatory banderole use

#### STAR BUSINESS REPORT

Beverage companies yesterday welcomed a court decision that enforced mandatory use of banderole on the bottles of a beverage company, which has been enjoying exemption since introduction of the new system of VAT collection.

Following a High Court (HC) rejection of Partex Beverage plea for not using banderole due to technical difficulties and wastage, the National Board of Revenue (NBR) asked the Partex Beverage, a leading player in soft drink market, to stick banderole on its bottle from March next.

In the face of widespread tax evasion allegation, NBR introduced banderole system on June 1, 2004 to stop the illicit practice. Although all the companies adopted the system since its introduction, Partex Beverage, a leading player in soft drink market, earned a court injunction not to implement the NBR directive.

Partex Beverage Ltd said it has not got necessary machine specification to apply the banderole system in time while NBR refuted the claim and said the company was given all information in time regarding the new system.

Transcom Beverage, bottler of Pepsi, welcomed the HC decision

saying it would help stop VAT (value added tax) evasion and pave the way for earning additional revenue from beverage industry.

Hailing the decision, Agricultural Marketing Co Ltd, bottler of Pran soft drink, said it would help restore a level playing field in the soft drink market of the country.

"This will ensure total VAT compliance by all the beverage companies. This particular decision of NBR will strengthen government exchequer and add to revenue generation," said a press statement of the company.

It is a pioneer decision made by the HC for collecting revenue from beverage companies, said Abul Quasem Haider, chairman of Global Beverage, bottler of Virgin soft drink. He said the decision would be helpful in reducing unhealthy business practice between country's beverage companies.

Bangladesh's soft drink market is estimated at Tk 600 crore a year.

NBR, which introduced banderole system to tobacco companies in 2002, may also introduce the system to other sectors.

## Bush's budget proposal cuts farm subsidies

#### AFP, New York

The 2006 federal budget US President George W. Bush will unveil Monday includes sharp cuts in previously sacrosanct farm subsidies, according to The New York Times.

Administration officials told the daily the proposed cuts would help trim the federal budget deficit and inject market forces into the farm sector.

The proposal would place a firm limit of 250,000 dollars on federal payments to individual farmers. The payments currently can exceed one million dollars, the Times said.

Agriculture Department officials told the paper the proposal would cut payments to farmers by five percent, or 587 million dollars in the fiscal year 2006 and save 5.7 billion dollars over a decade.

Major cotton and rice growers are the primary recipients of US government subsidies, followed by wheat, corn and soybean farmers. Farm groups are expected to

fiercely fight the cuts, which are also likely to get Bush in hot water with some of his supporters in southern agricultural states.

Trade officials in poorer nations have long called for the scrapping of such subsidies, which protect US growers from competition with cheaper foreign commodities.

Bush warned during his State of the Union address Wednesday that the 2006 budget would be tighter than in the previous two years.

"America's prosperity requires restraining the spending appetite of the federal government," the president said.

Discretionary spending will be limited to a one percent increase, although the policy will not affect defense and national security, according to a White House official.

The budget proposal will drastically cut some public health programs, according to a New York Times report from Saturday.

The 2006 budget covers a 12-month period starting October 1 this year.

## IMF to look at using gold to ease world poverty

#### REUTERS, London

The International Monetary Fund will look into using its huge gold reserves to help finance debt relief for the world's poorest countries on the urging of the Group of Seven rich nations, ministers said on Saturday.

Finance chiefs from the G7 in their communique issued at the end of the two-day meeting said IMF managing director Rodrigo Rato will look at proposals to revalue or sell gold reserves to offer debt relief to alleviate global poverty.

"I believe this is the first time there has been a mention of the use of gold in a G7 communique for achieving debt relief," said British finance minister Gordon Brown, who hosted the two-day meeting in London.

He said gold sales as well as revaluations would be investigated and Rato would report back in April, when the IMF meets in Washington. "To finance the relief of debts owed to the IMF and to enable the Fund to continue to play a role in the poorest countries, the Managing Director has stated that he will bring forward proposals... covering the Fund's

gold and other resources and in an orderly way," the communique said.

Rato said on Friday there are clear ways to sell gold effectively if IMF shareholders decide to proceed. But he stressed he was not providing an opinion.

"Certainly we have done it before and we think there are clear ways to do it that will be the most effective from a financial point of view," he said at the London meeting.

US OPPOSITION The world's poorest nations owe \$12 billion to the IMF, Brown said. Overall, sub-Saharan Africa owes some \$70 billion to multilateral lenders and developing countries say repayments are crippling them by diverting funds from education and healthcare.

Brown has made debt relief the centerpiece of Britain's 2005 presidency of the Group of Eight, which includes the G7 nations France, Italy, Canada, Germany, Japan and the United States as well as Russia.

He first proposed revaluing IMF gold stocks with off-market sales last year. Under a 1971 agreement, most IMF gold is valued at \$40 to \$50 an ounce, or about one-tenth of

current market prices. The fund holds 103.4 million ounces of gold.

Brown has said revaluing the gold could free up billions of dollars to ease debt burdens on the world's poor.

But US Treasury Under Secretary John Taylor said the United States had other plans for alleviating poverty.

Asked about using IMF gold stocks he said: "The United States is not convinced that's the necessary way to do it."

The United States has a de facto veto power on IMF gold sales because of its voting weight at the fund.

Leading gold producer Canada was cautious in its support.

"If a technical answer can be found that does not compromise the IMF's integrity we are prepared to go with it," said Canadian Finance Minister Ralph Goodale after the London talks.

But the plan received key backing from the world's largest gold producer, South Africa. Although Finance Minister Trevor Manuel cautioned there must be a rational approach to sales.