

3 groups forge common panel for BGMEA polls

Presidency to rotate in every eight months

STAR BUSINESS REPORT

Top leaders of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) have finally reached a decision not to fight against one another in the next biennial election to be held on February 17.

According to sources, leaders of three major groups Forum led by Annisul Huq, Sammilito Parishad led by Tipu Munshi and Sammilito Parishad led by Fazlul Hoque have agreed to form a common panel in the next polls. The leaders will soon announce the common panel and urge the BGMEA electorate to vote for their candidates.

As per an understanding among them, Forum will have 12 members, Sammilito Parishad (Tipu group) 10 and Sammilito Parishad (Fazlul Hoque group) 5 members in the 27-

member executive committee of BGMEA.

If the united panel wins the race, three top leaders from these groups will act as the president of the country's largest trade body for an eight-month tenure each.

Moreover, Forum will nominate its candidate for the BGMEA presidency for the first eight months but it could not finalise its candidate until now as the incumbent president Annisul Huq is unwilling to continue in this post anymore.

"I have done my job and don't want to continue as the BGMEA president. I am ready to support the new leadership," Huq told The Daily Star on Thursday.

"I have tried my best to get duty free access to the US market. I will also help the next leadership from outside to continue the effort if it wants me," he went on.

On the other hand, Tipu Munshi, who is leading a fraction of Sammilito Parishad, will act as BGMEA president for the second eight months while SM Fazlul Hoque, leader of another fraction of Sammilito Parishad, will lead top trade body in the third eight months in the two-year term.

According to the final list of eligible candidates, a total of 75 will vie for the 27-member policymaking committee of BGMEA.

Earlier, Annisul Huq-led Forum and Tipu-led Sammilito Parishad announced full 27-member panels but Fazlul Hoque-led panel announced a 21-member panel.

The BGMEA election commission on January 29, the last date of withdrawing nominations, finalised list of eligible candidates to contest in the polls, as top leaders of these three groups could not reach a

consensus.

A total of 2,227 voters will exercise their right to elect the new leadership 20 directors from Dhaka zone and seven from Chittagong zone for 2005-2006 term.

Last BGMEA election was held on January 28, 2003. Forum and Sammilito Parishad, at that time, formed an alliance and fought against Oikko Jote. Just on the day before election, Oikko Jote decided to boycott the polls. The alliance jointly led by Annisul Huq and Quazi Moniruzzaman won the election and shared the power. Quazi Moniruzzaman ran BGMEA as president in the first year and Annisul Huq is now leading this trade body for the second year.

Develop human resources to boost remittance

Speakers say at JOBS discussion

STAR BUSINESS REPORT

Speakers at a discussion have underscored the need for Bangladesh to increase investments in developing its human resources as they can increase both local and remittance incomes substantially.

Following examples set by East-Asian countries, Bangladesh should prioritize human capital development as skilled and semi-skilled workers have the potential of generating greater remittance than what they presently earn, they observed.

"Non-resident Bangladeshis (NRBs) are already remitting huge amount of foreign currency every year. This area can be expanded even further," said A Imran Shauket, the country director of IRIS, a Job Opportunities and Business Support (JOBS) project, at a discussion held in Dhaka on Thursday.

JOBS/IRIS, a USAID initiative implemented by the IRIS Centre at University of Maryland, organised the discussion on the backdrop of a project that aims to identify sectors capable of generating healthy export revenues and have the potential to create jobs for large number of people.

A panel of experts from the Center for Policy Dialogue (CPD), the Export Promotion Bureau, the Institute of Business Administration (IBA) of Dhaka University, among others, took part in the discussion and identified 12 such key sectors.

The areas include handmade paper, jute-diversified products, skilled/semi-skilled labour, shrimp, footwear, fresh and dried vegetables, dried fruits and home textile.

Janata Bank earns Tk 231cr operating profit in 2004

Janata Bank has earned Tk 231.29 crore operating profit in the financial year 2004 becoming the best performer among the nationalised commercial banks of the country.

This was disclosed at the bank's action plan formulation strategy ceremony for 2005 held yesterday in Dhaka, says a press release.

Managing Director of Janata Bank SM Aminur Rahman presided over the function, which was also attended by the bank's Chairman of Board of Directors Khandaker Shahidul Islam and Deputy Managing Director Md Ashraf Ali among others.



PHOTO: STAR
US Ambassador to Bangladesh Harry K Thomas visits F1 Auto Fair 2005 at Gulshan in Dhaka yesterday. F1, an event management company, organises the daylong exhibition showcasing old and new model cars.

Bangladesh expects \$1b FDI in garments sector

AFP, Dhaka

The garments industry underpins the economy of Bangladesh, one of the world's poorest nations, and generates 75 per cent of its annual foreign revenues (5.7 billion dollars).

Rahman gave no details about where the investment was expected to come.

The cabinet approved allowing foreigners to invest directly in the industry last month following the phasing out of an international quota pact which gave Bangladesh guaranteed access to markets in the United States and Europe.

"We're confident (the government step) will help us woo more than one billion dollars of foreign direct investment in the sector and create more than a million job in the next couple of years," chief executive of the country's investment promotion office, Mahmudur Rahman, told AFP.

"It's a huge development as far as our survival in the quota-free textile regime is concerned," he said.

Companies benefited from the quotas allocated under the deal.

Some 1.8 million people, mostly women earning between 25 and 35 dollars a month, are employed in the sector.

The MFA quota system ended on December 31 last year prompting the United Nations Development Fund to predict that one million jobs could be wiped out as Bangladesh loses out to China with its vast economies of scale.

"We did not oppose the move. More foreign investment means more competition which is good for the industry," president of the Bangladesh Garments Manufacturers and Exporters Association Annisul Huq said.

Huq warned, however, that smaller factories stood to lose from the withdrawal of the quotas because foreign firms would pay higher wages.

Experts say it could be up to a year before the impact of the MFA's expiry is clear.



PHOTO: SGO
Judith Chammas, deputy chief of US mission in Dhaka inaugurates Reflections, a local branch of Stained Glass Overlay (SGO), a US-based decorative glass producing company, at Gulshan in Dhaka on Thursday. President of SGO Michael Cassidy, and founder of Reflections Sabrina Islam also attended the inaugural function.

Vedanta in biggest FDI bid in Indian metal industry

PALLAB BHATTACHARYA, New Delhi

In the biggest FDI bid in Indian metal industry, Vedanta Resources Plc, the London Stock Exchange listed metals and minerals major, has announced to pump in 1.6 billion dollars to set up an aluminium smelter in the eastern Indian state of Orissa.

"The setting up of the smelter is a major step in our vision to create one million tonnes aluminium capacity to meet the growing demand in India," Vedanta Resources Chief Executive Officer Anil Agarwal told reporters in Mumbai.

"We have already brought in foreign direct investment (FDI) worth 1.5 billion dollars to fund our existing projects in India," he added.

He said the proposed smelter project will produce 500,000 tonnes aluminium per year and on completion will occupy the number one position as aluminium manufacturer in India.

The company already has a capacity of 380,000 tonnes in two plants in the country.

This is a part of Vedanta's Rs 15,000 crore ongoing investments in the Indian metal and mining sectors.

Vedanta Plc is owned 54 percent by Bahamas, registered company of Agarwals. It has already spent Rs 9,600 crore to establish a new aluminium unit and increase capacities of its aluminium, copper, zinc and lead plants in India. A steel plant in Orissa is also being considered by the company.

The new project in the eastern state, which also has in its ambit a power plant of 1,000 MW, will be completed in two phases lasting up to five years, Agarwal said.

Vedanta Plc is the parent firm of

three aluminium manufacturing plants including Sterlite Industries and Hindustan Zinc Limited in India and has an integrated copper smelting capacity of 250,000 tonnes in Zambia.

In India, Vedanta plans to increase its present aluminium output from 140,000 tonnes to 400,000 tonnes per annum, copper production capacity from 180,000 tonnes to 300,000 tonnes and zinc smelter from 230,000 tonnes to 400,000 tonnes, according to Agarwal.

Decorative glass outlet opens at Gulshan

Stained Glass Overlay (SGO), a US-based decorative glass producing company, has opened its first branch in Bangladesh at Gulshan in Dhaka on Thursday.

Judith Chammas, deputy chief of US mission in Dhaka inaugurated the branch, Reflections, as the chief guest, says a press release.

President of SGO Michael Cassidy, President of Dhaka Chamber of Commerce and Industry Sayeedul Islam were also present at the function chaired by founder of Reflections Sabrina Islam.

The US-based glass company has its specialisation on doors and windows, sidelights, transoms and arches, ceiling and skylights, shower enclosures, kitchen cabinets, mirrors and many other varied pieces of art, the release added.