

US ready to be partner in infrastructure development

Thomas says at Ctg apparel show inaugural function

STAFF CORRESPONDENT, Ctg

The US is ready to be a partner of Bangladeshi business leaders to promote rule of law, transparency and infrastructure development, the US envoy said yesterday in Chittagong.

Harry K Thomas was speaking at the inaugural function of the three-day Chittagong Apparel, Fabric and Accessories Exposition (CASAXPO) 2005 at CJKS Gymnasium.

Commerce Minister Altaf Hossain Choudhury formally inaugurated the fair, organised by Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

Export Promotion Bureau (EPB) Vice Chairman Mir Shahabuddin Mohammed, BGMEA President Annisul Huq, BGMEA First Vice President MA Salam and Second Vice President Alamgir MZ Rahman were also present at the function.

The US ambassador also said a Trade and Investment Framework Agreement (Tifa) between Bangladesh and the US, which is close to being finalised, will provide a valuable forum for trade discussion and better advantage of the commercial opportunities that already exist in Bangladesh.

The US ambassador once again

put accent on improvement of Chittagong Port efficiency. Bangladesh can take initiatives to improve the port's competitiveness in the post-MFA era rather than waiting for some external solutions or assistance, Thomas said.

Referring to the government's Post-MFA Action Programme (PMAP), the commerce minister said the US\$40-million scheme is aimed at maintaining and consolidating the present market share through capacity building and product diversification.

The commerce minister also criticised opposition parties, saying economic development is being hampered due to their 'non-cooperation'.

The minister also urged the US ambassador to help Bangladesh get duty-free market access to his country.

The BGMEA president emphasised the importance of good compliance factor in RMG export to get duty-free access to the US.

"One or two small non-compliance incidents can destroy all our achievements, dream and image," he warned.

A total of 26 firms are displaying products in 39 stalls in the exposition, which will remain open to visitors from 10am to 10pm.

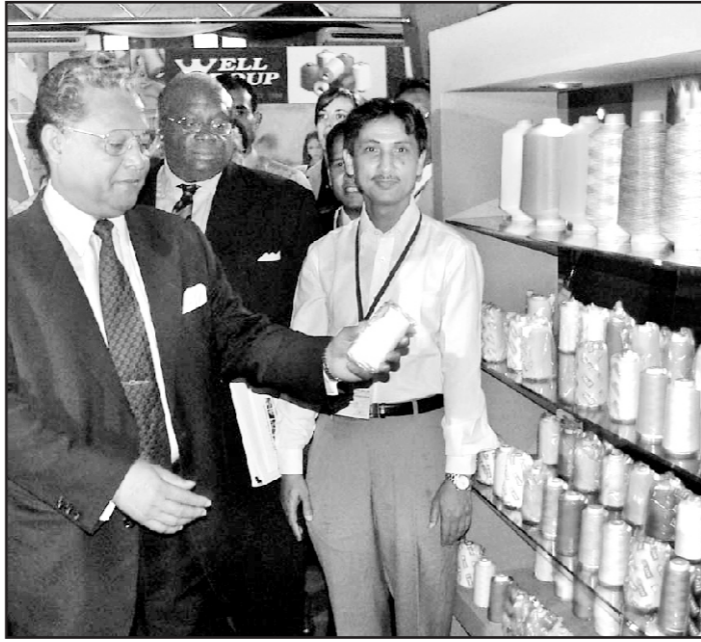


PHOTO: STAR

Commerce Minister Altaf Hossain Choudhury holds a bobbin of yarn at a stall in the three-day Chittagong Apparel, Fabric and Accessories Exposition (CASAXPO) 2005, organised by Bangladesh Garment Manufacturers and Exporters Association (BGMEA), in Chittagong yesterday. Harry K Thomas, US ambassador to Bangladesh, is also seen in the picture.

Russian Kamaz vehicles now available in Bangladesh

STAFF CORRESPONDENT, Ctg

Kamaz Incorporation, Russia's biggest vehicle manufacturing company, has started marketing different types of its vehicles in Bangladesh.

Some dumper trucks have already arrived here. Russian Consulate General is going to organise a two-day show on its Khulshi office premises in the port city from March 9 to 10 to promote Kamaz vehicles.

Nicolay Isakin, consul general of Russian Federation in Chittagong, at a press briefing here yesterday said Kamaz will market its products such as oil tanker, dumping truck, garbage truck, construction vehicle, CNG-run bus and car soon in Bangladesh.

Sanjay Saha of Sigma Group, the sole agent of Kamaz vehicles in Bangladesh, and other officials of Russian Consulate General were also present at the briefing.

Biman becomes co-sponsor of Travel Mart '05

Biman Bangladesh Airlines has become the official carrier and co-sponsor of Dhaka Travel Mart (DTM)-2005, the three-day international travel fair beginning at Dhaka Sheraton Hotel on March 4.

A memorandum of understanding to this effect was signed between Biman Bangladesh Airlines and DTM-2005 on Wednesday in Dhaka, says a press release.

Managing Director of the national carrier M Mahmoodur Rahman and Chairman of DTM-2005 Kazi Wahidul Alam signed the deal.

Cannon PIXMA photo printers, scanners launched

JAN Associates Ltd, the distributor of Cannon products in Bangladesh, has introduced Cannon PIXMA photo printers and scanners in local market.

At a launching ceremony held in Dhaka on Wednesday, three new types of PIXMA photo printers and two new models of Cannon scanners were formally launched, says a press release.

Price of PIXMA iP 1000 is fixed at Tk 2,800 while PIXMA iP 3000 at Tk 10,000 and PIXMA iP 5000 at Tk 20,000. On the other hand, price of CannonScan 3000EX is fixed at Tk 4,100 and CannonScan 4200F at Tk 7,500.

Melvyn Ho, vice-president of Cannon Singapore Pte Ltd, Eddie Udagawa, director and general manager of Cannon Singapore, Abdullah H Kafi, managing director of JAN Associates, and Kumar Syambu, country manager of Cannon, were present at the function.

Supreme Agro Feeds starts production

Supreme Agro Feeds Ltd, an agro-based joint venture project has formally started production on Wednesday at Kashimpur in Gazipur.

The State Minister for Finance and Planning Shah Mohammad Abul Hussain inaugurated the production of the new company, says a press release.

Manzoor-ul Karim, chairman of the company, Muhammad Shamsul Haque, chairman of Shams Group, many agro feed dealers, agro firm owners and leading businesspeople were present at the inaugural function, the release added.

India not to take Pak route on sugar

REUTERS, New Delhi

India probably made the right moves augmenting its dwindling sugar supplies to avoid being cornered like Pakistan and forced into the expensive refined white sugar market.

The world's largest sugar consumer, India has been importing raw sugar to bridge a supply shortfall after a poor cane crop.

Speculation has been rife that the government would cut import duties on white sugar from 60 percent in next week's federal budget to facilitate imports.

Biman seeks green channel store at ZIA to stop cargo theft

STAR BUSINESS REPORT

Cargo authorities of Biman Bangladesh Airlines have asked airport customs to clear up undelivered goods piled up at storehouse beside green channel as Biman plans to use the secured place to store valuable consignments.

Theft of 520 mobile handsets of a private company from cargo terminal at Zia International Airport (ZIA) recently prompted the national carrier to look for the grill-fenced secured place beside green channel to keep valuable cargo.

Sources said ZIA customs ignored repeated calls from Biman authorities to remove more than 600 packs of undelivered goods stacked up in the area for years.

Stinking smell from the decomposed goods is posing health threat to people working inside the main ZIA complex.

The importers of those goods never showed up and the goods are now entitled for destruction, sources said. "The importers will never claim those goods as their taxes might become much higher than their anticipation or they won't make profit or they brought those under false statement," said a cargo official.

"As the unclaimed goods occupy the place we face space shortage. Stinky gas is also discharging from the goods," said SM Mosaddeque Hussain, general manager of (Cargo) of Bangladesh Airlines.

"We will keep the mobile handset

consignments in that place as we got allegations of missing handsets," he said.

Since 2001, Biman sent 17 letters to the customs authorities to remove those goods. However, a customs source said they might destroy the decomposed goods on March 9.

Under the government provisions, the customs authorities are supposed to clear the imported goods within 30 days of arrival. Biman cargo authorities cannot remove any goods from the cargo storehouse without concern of the customs authorities, sources said.

India's poor not hopeful of sops in new govt's budget

AFP, New Delhi

A Savitri Devi, a housemaid working in the Indian capital New Delhi, is not too optimistic her life will change for the better after India's left leaning and pro-poor government unveils its annual budget next week.

Devi, 32, a migrant from the northern state of Rajasthan who arrived to New Delhi a decade ago to better her prospects, believes that like her hopes of prosperity, her meagre takings will be further eroded by inflation.

Devi and her husband Suresh Kumar were among the millions who voted for the Congress party when it last year contested national polls under the slogan, "The Congress is for the common people."

The message struck a chord and a Congress-led alliance swept to power, ousting the Hindu nationalists who were perceived to be pro-rich.

Those who supported Congress say it's now pay-back time and are looking to the party to make good its promise when it presents its annual Budget to parliament on Monday.

The performance of the coalition so far, however, does not give much cause for optimism, said Devi, pointing in particular to galloping inflation which has eaten into the

5,000 rupees (111 dollars) she and her husband manage to rake between them each month.

"I do the cleaning in three to four houses and also work as a part-time cook for about 27 days a month. My husband irons clothes. But we can't seem to earn enough. We hardly have any savings. Prices are so high," she said.

Her husband agreed. "The government said they were with us, but I can't feel that. Each government says they are for us, but what does that mean? Prices only keep going up," he said.

Nirmal Kumar, an auto-rickshaw driver, who earns about 6,000 rupees (133 dollars) a month, is equally downcast.

"I voted for Congress but I am disappointed. I hardly have any savings. I had to send my wife and daughter back to the village since life is so expensive here," he said.

India's inflation -- vulnerable to global oil prices -- peaked at 8.74 percent in August from 4.32 percent in April but last month fell to below six percent.

Devi, her husband and auto-driver Kumar all fall into India's lower middle class category and lead a relatively comfortable existence compared to the 350-400 million Indians who live on less than a dollar

a day, according to World Bank figures.

India's Planning Commission, the national planner, says as many as 60 percent of India's rural population and 20 percent urban households do not have access to power.

Only 60 percent of urban households have access to clean drinking water in their homes and 35 percent of India's billion plus population are illiterate, according to 2001 census figures.

During its campaigning, the Congress promised to improve these statistics.

It said it would guarantee 100 days of work for the urban and rural poor, would increase public spending on education and provide incentives to boost the agricultural production that accounts for a quarter of India's gross domestic product.

In his first budget last July, Finance Minister Palaniappan Chidambaram doubled credit to farmers and gave money for completion of irrigation projects, improvement of rural infrastructure and restoration of village ponds for irrigation.

New national president of JCI Bangladesh



AFP, Shenzhen, China

Britain and the rest of Europe are at grave risk of falling behind China and other fast-developing nations unless they reform their economies and become more ambitious, British finance minister Gordon Brown has warned.

Speaking at the end of a three-day whistlestop trade tour of China, his first to the country, a clearly awed Brown spoke admiringly of the sights he had seen in Beijing, Shanghai and the southern boomtown of Shenzhen.

"Before I came to China I understood the scale and significance of what was happening in China and Asia, as something that would affect us all," Brown told reporters shortly before leaving the country late Wednesday.

Now he was "more convinced than ever", the British Chancellor of

the Exchequer said. "It has opened my eyes to the sheer scale of the challenge."

Unless Britain and the rest of the European Union woke up to the economic challenge being posed, "we will fall behind in the challenge from China and Asia", he warned.

The verdict was a telling one, coming as it does from one of the most powerful and successful finance ministers in the developed world, who had never previously seen at first hand the rapid changes in China, the globe's fastest-growing major economy.

Starting off in Beijing on Monday for talks with Chinese leaders such as Premier Wen Jiabao, Brown toured a series of factories and laboratories, all picked as examples of China's progress since it began economic liberalisation just over two decades ago.

Brown, who has served as

finance minister under Prime Minister Tony Blair since 1997, was also visibly impressed after meeting a string of ambitious English-speaking Chinese teenagers during visits to a pair of schools.

"There is no doubt in my mind that when China is turning out two million graduates each year, we cannot afford for any young people in our country to be left behind," he told reporters in Shenzhen.

"When you look at what is happening in China, you know that we have got to do more in the future in order to compete," he said.

"We have got to raise our sights and raise our game, be more ambitious for the future."

While Britain was moving "faster than some other countries" within the EU to free up its economy and innovate, the message was clear for the continent as a whole, he warned.

US current account deficit not sustainable: IMF

AFP, New York

A current account deficit the size of the United States "cannot be sustained indefinitely," IMF managing director Rodrigo Rato said Wednesday.

"Experience shows that the current account deficits of the order that the US has been running cannot be sustained indefinitely," said Rato, speaking here to the Foreign Policy Association.

While current account deficits are not undesirable "per se", said Rato, noting that the US deficit helped the

world economy resist depression in 2002-2003, contributing to the current rebound, "What is undesirable, however, is an unsustainable deficit."

Record levels of debt are now financed by foreign investors, the IMF boss said.

"It is highly unlikely that such easy credit will continue to be available to the US on the basis of the existing policy path."

"There can be little doubt that the pattern of persistent and growing US current account deficits, and the increase in dollar indebtedness that

they entail, have contributed to the recent renewed depreciation of the dollar."

"The greenback's fall should, at the very least, serve as a timely wake-up call for policymakers to take immediate action to tackle the problem of imbalances in the world economy," Rato added.

Since February 2002, the dollar has lost 50 percent of its value against the euro, and 30 percent against the yen and the Canadian dollar, Rato noted.



PHOTO: STAR

The annual dealers' conference of Rangs Industries Limited was held at Sonargaon Hotel in Dhaka yesterday. A Rouf Chowdhury, chairman of Rangs Group, and senior executives of Toshiba Singapore Pte Ltd, Toshiba Consumer Products (Thailand) Ltd and Canon Singapore Pte Ltd were present at the function.



PHOTO: STAR

Melvyn Ho (4th from right), vice president of Canon Singapore Pte Ltd, launches Canon PIXMA photo printers and scanners along with Eddie Udagawa, director and general manager of Canon Singapore, and Abdullah H Kafi, managing director of JAN Associates, at a function in Dhaka on Wednesday.

Oil prices climb above \$51

AFP, Singapore

Oil prices rose further above 51 dollars a barrel in Asian trade Thursday as speculative trading offset the impact of comments from OPEC's president that the cartel may increase production, dealers said.

At 12:55 pm (0455 GMT), New York's main contract, light sweet crude for delivery in April was up 23 cents to 51.40 dollars a barrel from its close of 51.17 dollars on the New York Mercantile Exchange on Wednesday.

World oil prices cooled Wednesday in New York as the president of OPEC hinted at a possible output hike amid a cold snap in the northern hemisphere.

"If prices continue to increase, there will be a reaction from OPEC to help reduce these prices as it did

throughout 2004." Organization of Petroleum Exporting Countries president and Kuwaiti Energy Minister Sheikh Ahmad Fahd al-Sabah said Wednesday.

Victor Shum, an analyst at energy consultancy firm Purvin and Gertz, attributed Thursday's rise to speculators.

"There is no doubt that there's a fair bit of downward correction from the events of the past week, but some amount of speculator trading by hedge funds and institutional investors remains," Shum said.

"The rebound of the US dollar, after it became clear that the market had misinterpreted the South Korean central bank's report, shows that the market is actively looking out for bits of news."

The dollar steadied Wednesday after South Korea's central bank denied it planned to shed its dollar

assets, saying there had been "misunderstanding" over its previous day's statement.

South Korea has the world's fourth largest dollar reserves and speculation over its holdings of the US currency highlighted concerns in other Asian countries over their huge exposure to the US unit.

World oil prices rose to three-month highs on Tuesday on the back of a cold snap in the northern hemisphere.

Prices would remain high over the next couple of weeks before an OPEC meeting on March 16, with the market continuing to be on edge, Shum said.

"More OPEC members are coming forward to try and calm the market, but strong global demand, particularly from China and other Asian countries, will continue to support the high prices," he said.