

## Knitwear producers seek duty-free access to China

### STAR BUSINESS REPORT

Local manufacturers have urged Beijing to provide Bangladeshi knitwear with duty-free access to Chinese market.

The request was made when a BKMEA delegation met Chinese Ambassador in Dhaka Chai Xi yesterday.

The nine-member team led by Fazlul Haque, president of Bangladesh Knitwear Manufacturers & Exporters Association, also informed the Chinese ambassador that some knitwear manufacturers are going to participate in an international fair in Kunming next month.

Talking to The Daily Star, the BKMEA president said although China dominates the world apparel market, the country has to import apparel products to meet its local

demand.

There is a huge opportunity for Bangladeshi knit items to tap Chinese market, he added.

For exporting apparel products China government has subsidised the apparel exporters, but Chinese local garment manufacturers do not get any subsidy from the government for which the production cost remains higher than the cost of imported items, he said quoting a study on the Chinese apparel market done by the BKMEA recently.

"Moreover, China is now looking for manufacturing more value added items and this will create an opportunity for us to export our items at a competitive price," BKMEA president said.

"The study also revealed that we have a great opportunity to capture the Chinese market especially of the knitwear items," he added.

"And we are hopeful to get duty-free access to the Chinese market as the ambassador informed us that the Chinese government has already given permission for duty-free access of 83 Bangladeshi items to China," Haque said adding that he urged the Chinese ambassador to include the knitwear items in the list.

However, Bangladesh is yet to enjoy the duty-free access of its 83 items to the Chinese market.

The BKMEA will also raise the issue when Chinese vice-minister for Trade and Commerce will visit Bangladesh by the end of this month, he said.

The BKMEA is also going to set up a pavilion in the 13th China Kunming Import and Export Commodities Fair to be held at Kunming International Convention and Exhibition Centre from June 6 to 10. Ten Bangladeshi knitwear companies will participate in

the fair for the first time.

Haque said the fair will help establish new business contacts, develop new business sectors, cultivate customer ties and at the same time meet new buyers.

The fair will also enable Bangladeshi knitwear manufacturers to showcase their products and capabilities, promote Bangladeshi products as well as to strengthen business links between Bangladesh and China, he said.

On the sideline of the fair, the BKMEA will also hold business meetings with potential Chinese buyers, Haque added.

The BKMEA president will lead a 25-member business delegation to participate in the fair.

## Bank Al Falah starts Dhaka operation

Bank Al Falah Ltd, a sister concern of Dhabi Group of royal family of UAE, yesterday started its Bangladesh operation as it took over the Dhaka branch of Shamil Bank of Bahrain.

From now the Dhaka branch of Shamil bank will be known as Bank Al Falah, says a press release.

It is the first branch of Bank Al Falah outside Pakistan where it has some 120 branches.

The bank started its Bangladesh operation from Shamil Bank's existing premises on 5 Rajuk Avenue, Dhaka.

Bangladeshi KM Majedur Rahman has been appointed the country manager of the Bank AL Falah.

Sheikh Nahiyun Al Mubarak Al Nahiyun is the present chairman of the Bank Al Falah Ltd.

## PM for Bangla-Kuwait jt economic commission

### UNB, Dhaka

Prime Minister Khaleda Zia yesterday mooted a proposal to form a Bangladesh-Kuwait joint economic commission to expand co-operation between the two countries in business, investment and other areas.

She made the offer when outgoing Kuwaiti Ambassador in Dhaka Abdullah Masoud Abdullah called on her yesterday.

The envoy said that the matter of forming a joint economic commission as well as further investment here would be finalised during an expected visit of Kuwait's Prime Minister Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah to Bangladesh.

A business delegation will accompany the Kuwaiti premier, the ambassador apprised Khaleda. Terming the existing relations between the two countries "excellent", the prime minister hoped Kuwait would invest more in Bangladesh and import pharmaceuticals.

Some two lakh Bangladeshi workers are "working very well in Kuwait", the ambassador remarked.

The prime minister said apart from skilled and unskilled workers, the Gulf state can recruit physicians, engineers, teachers and nurses from Bangladesh.

During the meeting, Kuwait's co-operation in constructing

Karnaphuli bridge was also discussed.

The ambassador said Kuwait and its people are grateful to Bangladeshi people for their co-operation, particularly in minesweeping and reconstruction works.

"Kuwait also respectfully remembers those Bangladeshi military personnel who were killed during minesweeping operation," he said recommending that Bangladeshi military personnel are the best at minesweeping.

The ambassador expressed his gratitude for co-operation by the government during his over two-and-a-half-year tenure.

## Nat'l Bank, Lari Exchange of UAE sign remittance agreement

National Bank Ltd and UAE-based Lari Exchange Establishment, Abu Dhabi signed a remittance agreement recently in the United Arab Emirates.

M Aminuzzaman, managing director of National Bank, and Fuaad A Lari, general manager of Lari Exchange, signed the deal on behalf of their companies, says a press release.

The deal will help increase flow of remittance from Bangladeshi expatriates in the UAE.

## Malaysia says no to 'exit tax'

### AFP, Kuala Lumpur

Malaysia said Monday it would not impose an exit tax to discourage speculators betting on a possible review of the ringgit currency peg against the dollar.

"It's a silly suggestion," Second Finance Minister Nor Mohamed Yakcop was quoted as saying by the official Bernama news agency.

He was responding to suggestions that Malaysia should consider such a tax to prevent capital outflows if the ringgit were to be revalued.

Nor Mohamed indicated that the government had no immediate plans to review the seven-year-old ringgit peg of 3.80 to the dollar despite mounting pressure and speculation that China may adjust its own currency peg and allow the yuan to rise.

Asked whether Malaysia was independent enough to repeg the ringgit ahead of any action by China, he said: "Theoretically, yes, we do not have to wait for anybody."

But practically, he said, such a move would be "based on a matrix of factors that we have to take into account".

His comments came after a local think tank renewed its call for Malaysia to end the fixed exchange rate regime now as the "status quo is just not sustainable."

## RUN-UP TO BUDGET FY06

# Ceramic makers want duty cut on raw materials

### BDNEWS, Dhaka

In a bid to boost export basket, Bangladesh Ceramic Wares Manufacturers Association has urged the government to reduce the import duty on raw materials in the next budget.

The association also demanded post-import inspection of ceramic wares from abroad and no further increase of VAT in this sector.

"The import duty on an average stands at 12 percent at present that should be minimised to 5 percent so that we can compete in international market," said Rashed

Mowdud Khan, president of the association, yesterday.

Besides, the import duty on some specific raw materials is 15 to 30 percent and they have to pay 15 percent VAT on produced wares, he added.

Citing the Bangladesh Bank's annual export receipts, he said the ceramic product export has increased to Tk 178.73 crore in 2003-2004 from Tk 66.16 crore in 1996-97.

To increase the export volume, he also demanded the government to take steps to reduce the bank interest rate in this sector.

He said Bangladeshi ceramic wares are being exported to 48 countries, including European Union, Scandinavian countries and US market. China, Poland, Thailand, Romania and Indonesia are the major competitors of Bangladesh, he added.

"We are self-sufficient to meet our local demand," said Khan. "However the local market is over flooded with low-grade imported wares mostly from China," he said.

Some 15 ceramic producing plants are now in operation in Bangladesh that create 7,000 direct employment.

## TMSS celebrates global action week

Thengamara Mohila Sabuj Sangha (TMSS), a leading NGO working for women empowerment and poverty alleviation, celebrated the Global Action Week 2005 from April 24 to 30.

TMSS with the spirit of the slogan "Educate to End Poverty" chalked out weeklong programmes, which included rally, essay and painting competition, seminar and discussion, says a press release.

## Oil falls further on Opec assurances

### REUTERS, London

Oil prices eased below \$48 a barrel on Monday after Opec pledged to keep pumping at almost full tilt even though US crude stockpiles are at their highest level in nearly six years.

US crude oil prices lost 73 cents to \$47.94 a barrel, near a three-month low hit on Friday. Prices have fallen around 17 percent from the record high at \$58.28 struck in early April. Brent crude oil fell 69 cents to \$47.94.

Prices fell after Opec president Sheikh Ahmad al-Fahd al-Sabah said on Sunday the cartel would continue to supply more than 30 million barrels per day (bpd), the highest level in 25 years.

Middle East Gulf oil producers have been raising output since March to build up stocks ahead of the fourth quarter, when rising demand from Asia's emerging economies is expected to stretch world supplies.

Higher Opec supplies have helped push US crude stocks to their highest level since July 1999, but Kuwait's Sheikh Ahmad signalled no pullback in Opec's extra supply.

"We will continue to focus on the market and will continue to supply the market," Sheikh Ahmad, who is also Kuwaiti oil minister, told reporters at a workshop in Kuwait.

Sheikh Ahmad said \$40 a barrel was an acceptable price for the Organization of the Petroleum Exporting Countries' basket of crude oils, nearly \$6 below the basket's current value.

Opec is scheduled to meet on June 15 to plan its production for the second half. Sheikh Ahmad said Opec was unlikely to raise its formal output limit to match the actual supply.



PHOTO: BANK AL FALAH

Officials of Bank Al Falah Ltd, a sister concern of Dhabi Group of royal family of UAE, cut a cake to inaugurate the bank's Bangladesh operation in Dhaka yesterday. Bank Al Falah yesterday took over the Dhaka branch of Shamil Bank of Bahrain.

## China, India to share world leadership status with US

### AFP, Singapore

China and India's economic emergence will eventually lift them to a world leadership role alongside the United States, former Hong Kong governor and EU commissioner Chris Patten said Monday.

In a keynote speech at a Singapore regional trade show, Patten also said the United States and European Union had no grounds to complain about the surge in Chinese textile exports this year that has raised concerns of a trade war.

"What we are witnessing is the re-emergence of China and India as global heavyweights," said Patten, the British governor of Hong Kong from 1992 until the territory's handover to China in 1997.

"Now we are used to living in a world which has been shaped and led by the trans-Atlantic community -- by America principally, but also Europe -- and I just think we should sometimes consider how much longer that is going to be true."

Apart from being a major manufacturer, China was also rapidly becoming an important consumer market for the rest of the world, which will only heighten the importance of Beijing on the global stage, Patten said.

"China has become the workshop of the world ... it's also a big new market for what the rest of the world produces," Patten said in his speech to open the Tax Free World

## DHL receives Reader's Digest platinum award

DHL has underscored its position as leading express and logistics company winning the platinum award in the airfreight or courier service category at the seventh annual Asia SuperBrands 2005 Survey organised by Reader's Digest.

It is the first company, which has been awarded the platinum award for the Asia region since the category was introduced in 2004, says a press release.

Besides, for the same category DHL received platinum awards in the SuperBrands 2005 Surveys conducted in Hong Kong and Singapore and gold awards in the SuperBrands 2005 Surveys carried out in Malaysia, the Philippines, Taiwan and Thailand.

## New office bearers of Jamuna Bank



Chairman Vice chairman

Arifur Rahman and Farhad Ahmed Akand were elected new chairman and vice chairman of Jamuna Bank Limited.

They were elected at a meeting of the Board of Directors of the bank held on Tuesday, says a press release.

Arifur Rahman is an entrepreneur and incumbent general member of Dhaka Chamber of Commerce & Industry. He is also the chairman of Energotech International Ltd and a director of South Asian Hospital Ltd.

Farhad Ahmed is the chairman of Shipper's Council of Bangladesh and Association of Shipper's Council of Bangladesh, India, Pakistan and Sri Lanka.



PHOTO: NATIONAL BANK

M Aminuzzaman, managing director of National Bank Ltd, and Fuaad A Lari, general manager of UAE-based Lari Exchange Establishment, Abu Dhabi, exchange documents after signing a remittance agreement on behalf of their companies recently in the United Arab Emirates. Other senior officials from both the sides are also seen in the picture.