

New wing on cards to boost foreign trade

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In a bid to boost country's international trade negotiation capacity, the government is planning to create a new wing -- directorate of foreign trade -- under the commerce ministry.

The government is also planning to abolish the office of the Chief Controller of Export and Import and shift the responsibilities to the new wing to guide and monitor the country's export and import directly, a high official of the ministry of commerce told The Daily Star yesterday. The ministry has long been planning to formulate a separate wing to deal with international trade

and bring foreign trade affairs under a single branch, said the ministry source.

In the aftermath of continuous rise in international trade deficit, the ministry also plans to strengthen the country's export capacity through the new wing, sources added.

The directorate will also work to create new market for local products, he said.

The World Trade Organisation cell, Bangladesh Foreign Trade Institute, Directorate of Insurance and registrar of the joint stock companies are expected to be incorporated in the directorate.

The ministry has already prepared a proposal, which is likely to

be tabled before the Commerce Minister Altaf Hossain Choudhury soon for his approval.

The ministry also corresponded with the Bangladesh missions in Saarc countries for further information about the structure of such institution in those countries.

Meanwhile, the commerce ministry has sent a proposal to the Ministry of Establishment to refurbish the trade cadre for the recruitment of new officers. The ministry in its proposal suggested appointing trade cadre officials to different missions abroad to strengthen trade relations.

At present, 56 trade cadres are in operation under the commerce

ministry but the ministry proposed to raise it to 114 by next year.

Besides, the government is facing crisis in dealing with bilateral and multilateral trade negotiations due to scarcity of necessary manpower and expertise, he added.

The official said the plan takes a rapid form as the country's international trade deficit is skyrocketing day by day.

The import-export trade imbalance stood at Tk 21,909 crore during July-April period of FY2004-05. The country's export earning was Tk 42,463 crore against the import worth Tk 64,372 crore during the period, official sources added.

Taiwanese keen to invest in Bangladesh

STAFF CORRESPONDENT, Ctg

A visiting Taiwanese trade delegation here yesterday expressed interest to invest in Bangladesh.

The 19-member team of Taiwan Investment Delegation to South Asia held a meeting with the leaders of Chittagong Chamber of Commerce and Industry (CCCI) at CCCI auditorium.

Delegation leader Chin Ling Yang said Taiwanese businessmen and investors are interested to invest in multilateral sectors including electrical equipment, plastic and rubber products, light engineering and machinery items and footwear in Bangladesh.

Earlier, CCCI acting president MA Latif called upon the Taiwanese investors to invest in textiles, leather and leather products, light engineering and electronics sectors to help reduce Bangladesh's trade gap with Taiwan.

Saifur wants investment in productive sectors

UNB, Dhaka

Finance and Planning Minister Saifur Rahman yesterday emphasised banking investment in productive sectors, including agriculture and agro-processing, to generate employment opportunities.

"It's not possible to import essentials such as onion, garlic and ginger for long to meet the demand of 140 million people," he said, asking the commercial banks to come up with enhanced investment for the agriculture and other productive sectors.

He was talking to reporters after receiving a dividend of Tk 18.56 crore from Bangladesh Small Industries and Commerce Bank Limited (BASIC) at his office.

Saifur said the government has undertaken budgetary measures to provide bank loans to farmers at only 2 percent interest rate.

The minister appreciated BASIC bank's contributions and criticised nationalised commercial banks for their poor performance.

The BASIC bank handed over the dividend -- a cheque for Tk 5.06 crore and bonus shares of Tk 13.50 crore. It declared 27.5 per cent dividend for the year 2004.

Chairman of the bank's Board of Directors and Industries Secretary Mohammed Nurul Amin and Managing Director AH Iqbal handed over the cheque and share certificates to the minister.

DHL Motijheel centre gets highest security rating

STAR BUSINESS REPORT

DHL Motijheel Service Centre has been awarded Asia Category 'A' certification by the Technology Asset Protection Association (Tapa).

Tapa is a global association of professional consulting companies, freight forwarders and manufacturers of high-tech industries who have come together for the purpose of addressing the emerging security threats common to the industry.

Out of 18 Bangladesh service centres of DHL, the worldwide express and logistics company, DHL Motijheel centre complies with Tapa's stringent international standards of safety and security, said Desmond Quiah, country manager of DHL Bangladesh, at a press conference yesterday in Dhaka.

Tapa audits have also been planned for other DHL service centers in Bangladesh, he said adding "We have taken Tk30 crore investment plan for DHL's physical, IT infrastructure and human resource development in Bangladesh."

Adrian Whelan, regional security director of DHL Asia Pacific, said DHL aims at ensuring safe and secure delivery of the customers' valuable assets, so that they can focus on their core business with a piece of mind.

Established in 1979, DHL Bangladesh also plans to establish more service centers in the country to provide secured transportation services for export-import business.

DHL's international networks links more than 220 countries and territories worldwide. The company is 100 percent owned by Deutsche Post World Net.



PHOTO: STAR
Annisul Huq, president of Bangladesh Garment Manufacturers and Exporters Association (BGMEA), speaks at a press conference in Dhaka yesterday.

ALLEGATION OF UNDER-INVOICING, UD MISUSE IN FABRIC IMPORT

BGMEA threatens BTMA with legal action

STAR BUSINESS REPORT

Rejecting the BTMA's remark on under-invoicing, smuggling and misuse of utilisation declaration (UD) in fabric import by garment manufacturers, leaders of the BGMEA yesterday threatened the BTMA with legal action unless the textile millers apologise for the comments.

"Either the BTMA chairman (MA Awal) will have to prove all his allegations against us within the next seven days or he will seek unconditional apology to us. Otherwise, we will move to court," said Annisul Huq, president of Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

He was addressing a press conference in Dhaka in protest at the Bangladesh Textile Mills Association's (BTMA) press conference held on Saturday.

Huq said woven fabrics worth around \$1.75 billion were imported

in FY2003-04 of which, according to the BTMA chief, fabrics worth \$1.5 billion, about 90 percent of the total import, were sold in the local market.

"It means that we imported fabrics double than the consumption and the garment manufacturers and custom officials were involved with smuggling," he said.

About the allegation of UD misuse, the BGMEA chief said there is no scope of importing excess fabrics as the UD is circulated after examining the letter of credit (L/C), invoices and order sheets based on SRO by the UD committee.

"Moreover, he (MA Awal) said that we are importing suiting fabrics at the rate of 20 cent through UD facility. Can he submit any document where the UD committee permitted a garment manufacturer such import?" Huq questioned.

"We, the BGMEA members, denounce the BTMA chief for his baseless, fictitious and intentional statement which hampered the

image of the garment industry both in home and abroad," Huq added.

Terming the Tk 15,000 crore investment in the textile industry baseless and incorrect, he said according to the BTMA directory the investment figure is around Tk 20,000 crore.

Besides, its not true either that excluding Bangladesh there is no bonded warehouse in other countries, Huq said adding that almost all the countries have bonded warehouse facilities. "It is in different forms for different trades."

"Mr Awal cited examples of China, India and Pakistan which are already self dependent on fabrics and fabrics raw materials," he argued.

If bonded warehouse facility is abolished, the woven sector will collapse in no times, he noted.

Huq, however, did not rule out any discussion between the two bodies. The BGMEA and the BTMA can still sit together and solve the controversial issues, he hoped.

Strong local govt bodies needed to channel funds to rural areas

ICC-B comments on budget

STAR BUSINESS REPORT

The International Chamber of Commerce, Bangladesh (ICC-B) said it seems that the government is trying to channel huge resources to rural areas through the current fiscal measures without developing strong and effective local government institutions.

"Under such circumstances, the possibility of extensive misuse of public fund cannot be ruled out through unholy alliance of the vested groups at various implementation levels," the chamber said in its latest issue of ICC Bangladesh News Letter.

The newsletter in its editorial on the 2005-06 budget said in a country like Bangladesh, at times, donors' prescriptions need to be accommodated in the budget due to dependence on external assistance for development programme.

However, many such provisions may be aimed at benefiting the country as a standard norm but may not be practical for the implementation in given geographical and social conditions, ICC-B said.

It said the national budget is not a mere document containing government proposals and projections about revenue earnings and expenditures. It is supposed to reflect the

mission and vision of the government and aspirations of the people, the chamber said.

The chamber also said even critics did observe that the budget for the fiscal year 2005-06 had a strong bias towards rural economy.

It said this year budget is the first one drawn in accordance with the much talked-about Poverty Reduction Strategy Paper (PRSP) under a three-year medium-term framework.

The PRSP is claimed to be homegrown, but it is yet to be presented in parliament for a threadbare discussion, the chamber said.

SENSITIVE LIST OF GOODS FOR SAFTA

Experts start talks in Nepal

BDNEWS, Dhaka

A two-day meeting of the Committee of Experts (CoE) of Saarc member countries began in Kathmandu yesterday to finalise of the sensitive list of commodities for Safta.

"The meeting is expected to make the final sensitive list soon, keeping in mind to protect their respective national interests," said a senior commerce ministry official.

Besides sensitive list, the CoE meeting is also discussing on rules of origin, revenue loss compensation mechanism for least developed countries (LDCs) and technical assistance for LDCs, he said.

Official trade experts from Bangladesh, Bhutan, India, Nepal, the Maldives, Pakistan and Sri Lanka are taking part in the meet to

settle the unresolved issues before enforcing the South Asia Free Trade Area (Safta) agreement from January 1, 2006.

The CoE, comprising deputy secretaries of the ministry of commerce of the member countries of the 7-nation forum, had already held eight meetings on reciprocal basis in the capitals of the member countries for discussing the issues.

"The main focus of the ninth round talks of the CoE will be on the issue of the sensitive list," a commerce ministry official said.

The official also said that all these issues will be finalised in two meetings of the CoE in the next two to three months so that implementation of the Safta could be ensured by the stipulated time.

Bangladesh has made a final sensitive list of 1,322 items, which

were earlier 1,306. "We have added 16 restricted items, particularly the alcohol-based ones on the list," said Aminul Islam, the Tariff Commission chairman.

India has made a sensitive list of 1,200 items, while Pakistan 1,310, Sri Lanka 1,065, Nepal 1,315, Bhutan 132 and the Maldives 582, according to the commerce ministry sources.

The Saarc-member countries signed Safta on January 6, 2003 with a pledge to scale down their tariff in two phases to 0-5 percent that will come into force on January 1, 2006, and will be fully implemented by December 31, 2015.

Earlier, in the first week of July Bangladesh Foreign Minister M Morshed Khan indicated that implementation of the Safta may be delayed.

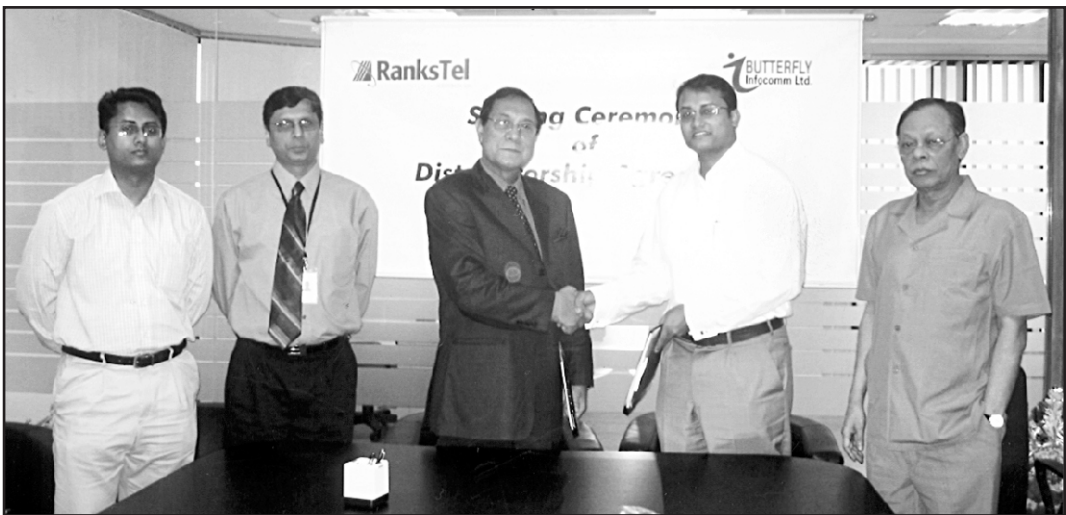


PHOTO: RANKSTEL
A Rouf Chowdhury, president and chief executive officer (CEO) of Ranks Telecom Ltd, and Mustafizur Rahman Shazid, managing director of Butterfly Infocomm Ltd, exchange documents after signing an agreement on behalf of their companies in Dhaka recently.

Butterfly to distribute RanksTel products

Butterfly Infocomm Limited will now distribute RanksTel products and services.

An agreement to this effect has recently been signed between Butterfly Infocomm and Ranks Telecom Limited in Dhaka, says a press release.

A Rouf Chowdhury, president and chief executive officer (CEO) of Ranks Telecom, and Mustafizur Rahman Shazid, managing director of Butterfly Infocomm, signed the deal.

Emirates SkyCargo gets Italian accolades

Emirates SkyCargo has been voted 'Best Carrier to the Middle East' for the eighth successive year by the Italian Association of Air Freight Forwarders (ANAMA).

The accolade was announced recently at the annual ANAMA conference in Milan, says a press release.

The cargo division was also runner-up in the 'Best Carrier to Oceania' category.

Cesare Moreira, Emirates' Cargo Manager (Italy), received the awards from Alessandro Trapolino, president of ANAMA, at the function.



PHOTO: STAR
Adrian Whelan, regional security director of DHL Asia Pacific, speaks at a press conference in Dhaka yesterday. Desmond Quiah (R), country manager of DHL Bangladesh, and Edward Goh (L), South Asia (Indo-China) security manager of DHL, are also seen.