

Ethics key to boosting private enterprises

President tells int'l conference

STAR BUSINESS REPORT

President Iajuddin Ahmed yesterday stressed the need for maintaining ethical practice in business, saying the perception that it is not possible to become rich without being dishonest will create chaos.

People in Bangladesh often think that one cannot become rich without being dishonest. If the notion continues, it will create a conflict, he said while inaugurating a two-day international conference in Dhaka.

"I expect the private entrepreneurs to adhere to a code of ethics for transparency and accountability," the president said.

If the private entrepreneurs do business disclosing the required information to the consumers, it will be an ethical behaviour, Iajuddin observed.

The Center for Corporate Governance and Finance Studies of Dhaka University, Dhaka Stock Exchange, Organisation for Economic Corporation and Development (OECD) and the Asia Foundation jointly organised the international conference on 'Corporate Governance in Bangladesh' at Dhaka Sheraton Hotel.

"I always believe that to be

successful in business and sustain in the long run, businessmen need to be truthful to themselves, to their investors and to the society. Only then the private entrepreneurs will gain confidence of the society," he said explaining the development of private sector enterprises.

To encourage firms to raise funds from the capital market, the government has introduced some fiscal incentives for the companies to go public, the president said adding the nation in return also expects some rational behaviour from the entrepreneurs.

"I expect the entrepreneurs to

behave with high ethical standard. I view the private enterprises as vehicle not only of economic development but also of moral development," Iajuddin said.

Speaking at the conference, Education Minister M Osman Farruk said profit maximisation is not the sole objective of business.

Eimon Ueda of OECD, Kim McQuay of the Asia Foundation, Prof SMA Faiz, vice chancellor of Dhaka University, Prof MA Baqui Khalily, chairman of CCGFS, and Md Shahiq Khan of DSE also spoke at the inaugural session.

Court orders FBCCI to include Bangla-China chamber on voter list

UNB, Dhaka

The High Court yesterday ordered the Federation of Chambers of Commerce and Industry (FBCCI) to include Bangladesh-China Chamber of Commerce and Industry (BCCCI) on voter list.

Passing the order, a division bench comprising justices MA Matin and Mamnoon Rahman issued rule upon the commerce secretary to explain why the provision incorporated in the registration debarbing the BCCCI from participating in the ensuing election to FBCCI should not be declared illegal.

The election to the FBCCI is slated for August 21. The order and rule came upon a writ filed by BCCCI, which was awarded registration on 8th of May, 2003, as a trade body by the commerce ministry, challenging the validity of the provision terming it as discriminatory and illegal.

Barrister Shafiq Ahmed appeared for BCCCI.

Apparel trade bodies agree to end row

STAR BUSINESS REPORT

The country's three main trade bodies of the apparel sector at a joint meeting yesterday agreed to put a stop to the marathon wrangle over allegations of bonded warehouse leakage and under-invoicing.

Textile and Jute Minister Shajahan Siraj chaired the tripartite meeting at the ministry where BTMA Chairman MA Awal, BGMEA President Annisul Huq and BKMEA President Fazlul Haque were present.

The minister, at the meeting, urged all the stakeholders to work together as the country is passing a tough time competing with others in the globalised market.

The minister said a vested group is trying to destroy the country's export-oriented clothing industry. The minister also suggested

forming a joint forum comprising representatives from the three associations to solve any future disputes among them.

The leaders, however, did not make any positive response instantly to the minister's suggestion.

The leaders of the associations explained their own positions in the dispute and realised that the current wrangling over allegations of bonded warehouse leakage, under-invoicing and smuggling of fabrics was a result of misunderstanding and miscommunication.

The minister on last Sunday invited the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), the Bangladesh Textile Mills Association (BTMA) and the Bangladesh Knitwear

Manufacturers and Exporters Association (BKMEA) to the meeting.

At a press conference on July 16, BTMA Chairman MA Awal alleged that the trend of smuggling through the border, import on fake declaration and under-invoicing have posed a serious threat to the local textile industry.

Both the BMGEA and the BKMEA, whose members import fabrics as raw material, sharply reacted to the allegation.

On July 20, the BGMEA leaders gave a seven-day ultimatum, saying they would go for legal action unless the BTMA makes an unconditional apology for its comments.

Following the BGMEA move, the BKMEA leaders on July 21 also came down heavily on the BTMA for its remarks.

Corporate governance guideline needed for developing nations

STAR BUSINESS REPORT

International agencies should come forward to develop a model for corporate governance to help the developing countries practise it, speakers told an international conference in Dhaka yesterday.

They also underscored the need for a joint effort by the multilateral development agencies to allocate more funds for corporate governance guidelines.

They were speaking at a two-day international conference on 'Corporate Governance in Bangladesh' at Dhaka Sheraton Hotel. The Center for Corporate Governance and Finance Studies (CCGFS) of Dhaka University, Dhaka Stock Exchange, Organisation for Economic

Corporation and Development (OECD) and the Asia Foundation jointly organised the conference.

Kim McQuay of the Asia Foundation chaired the first working session on "Corporate Governance: Current Issues."

Louis Bouchez, principal administrator of OECD, presented the keynote speech while Prof Mahmood Osman Imam of CCGFS, DU presented a paper in the session.

Bouchez said corporate governance is essential for improving company management and economic competitiveness. It also helps increase access to investment financing and reduce cost of capital.

Farooq Sobhan of Bangladesh Enterprise Institute chaired the

second session on "Asian Experiences -- Corporate Reporting, Disclosure and Transparency." Prof Stephen Cheung of City University Hong Kong made a presentation on the relevance of independent directors and audit committee while Prof Kyung Suh Park of Korea University made a presentation on "Corporate Governance: Financial Reporting, Transparency and Accountability."

Mohammad Ali (Rumi), deputy governor of Bangladesh Bank, and MA Barea, former president of the Institute of Chartered Accountants, Bangladesh, also spoke in the session.

Barea said a financial expert should be included in the audit

committee of parliament.

Chairing the third session on "Asian Experiences -- Shareholders' Rights," Mirza Azizul Islam, chairman of the Securities and Exchange Commission, said management here sometimes hires a small number of shareholders to approve the issues, which the management prefers.

Prof Hasung Jang of Korea University made a keynote presentation on "Corporate Governance in Asia: Shareholders' Rights and the Essence of Shareholder Activism."

Moazzem Hossain, editor of The Financial Express, and Imtiaz Husain, former chairman of DSE, spoke as discussants in the concluding session.

1st meet of Social Compliance Forum for RMG sector today

BDNEWS, Dhaka

The first meeting of the Social Compliance Forum for RMG will be held today in the commerce ministry. Commerce Minister Altaf Hossain Choudhury who heads the national body will preside over the meeting of the 25-member forum, formed by the commerce ministry on July 26.

Names of members of the forum, visibly formed following pressure from the donors and buyers, were announced later.

State Minister for Labour and Employment Aman Ullah Aman, and Advisor to Commerce Ministry Barkat Ullah Bulu have been made co-chairman and vice-chairman respectively of the newly formed platform.

The forum is represented by members from different concerned quarters, including ministries, exporters' associations, labour organisations, UNDP and the ILO.

Saifur asks BB to look into Indian exporters' complaint

STAR BUSINESS REPORT

Finance and Planning Minister M Saifur Rahman yesterday asked the Bangladesh Bank governor to look into the complaints lodged by some Indian exporters about payments against their exports.

The minister's move came as Federation of Indian Export Organisation (FIEO) alleged that some of the banks are not paying off the Indian exporters.

A FIEO team led by its Chairman (eastern region) SK Jain called on the finance minister yesterday at the latter's planning commission office and sought his intervention.

The finance minister immediately called the central bank governor and directed him to investigate the matter and take necessary

steps. Saifur told the journalists that the FIEO team apprised him of their problems and he immediately talked to the officials of BB and some other banks and asked them to solve the problem.

There is problem on the Indian side either, he said adding that sometimes quality of their products does not remain good and weighing is not done properly.

A meeting source said the FIEO team also mentioned names of four private banks to the minister.

Saifur told the Indian exporters to seek help from embassy concerned to find out efficient banks here and transact with those. "If you did so, you would not find yourselves in such troubles", he added.

Indian exporters are facing some

problems in banking transactions as some of the banks are not making their Letter of Credit (LC) payment in time and committing fraudulence, SK Jain told the journalists.

Jain also apprised Saifur of some problems prevailing in the customs of some land ports in the country. "If one metric ton of wheat costs \$150, such problems raise the price to \$200", Jain said adding that Bangladesh is losing due to these problems.

Jain pointed out that in India ports activities continue from 5am to 6pm while in Bangladesh work doesn't start before 9am and ends at 3pm.

As a result, an India truck that arrives at the border at 6am needs to wait until 9am to enter Bangladesh.

Banglalink's new sales centre opens at Motijheel

Cellphone operator Banglalink yesterday inaugurated its new sales and care centre at Motijheel in Dhaka.

In addition to answering customer queries, the centre will also address billing and payments, SIM replacement, ownership change, address change and package upgrades, says a press release.

The centre was opened by Rumana Reza, director of customer care department.



PHOTO: BANGLALINK

Rumana Reza, director (customer care department) of Banglalink, inaugurates a new sales and care centre of the cellphone operator at Motijheel in Dhaka yesterday.

Citi adjudged number one valuable financial services brand

Citi has again been ranked number 1 most valuable financial services brand in the world by Interbrand, with the results published in the latest issue of BusinessWeek, says a press release.

Valued at \$19.97 billion, Citi has moved up in ranking among all global brands in all categories from 13 in 2004 to 12 in 2005.

The Interbrand Study is an annual study that is widely utilised for measuring the financial value of brands.

Oil hits \$61

AFP, London

World oil prices jumped to 61 dollars a barrel on Friday after an explosion at a BP refinery in Texas fuelled concerns about energy supplies toward the end of the year.

New York's main contract, light sweet crude for delivery in September, reached 61 dollars for the first time since July 13 before closing at 60.57 dollars a barrel, up 63 cents from Thursday's close.

In London, the price of Brent North Sea crude oil for delivery in September advanced 61 cents to 59.37 dollars a barrel.

"The explosion caused knee-jerk buying across the oil complex. This has also triggered technical buying," Suedden broker Robert Montefusco said.

BP spokesman Robert Wine told AFP there had been a fire overnight at the group's Texas City refinery in the southern United States, at the same facility where an explosion in March killed 15 people.

Dhaka to attend Bangkok int'l ICT expo

BDNEWS, Dhaka

Bangladesh will attend the Asia & Oceania region ICT show, the Bangkok International ICT Expo 2005, on August 03-07.

The country will also take part in the ASOCIO Multilateral Trade Visit in the Thai capital on August 3-5.

President of the Bangladesh Computer Samity (BCS) SM Iqbal yesterday announced the country's participation.

With the slogan 'ICT for the Next Generation', a team of seven local ICT companies comprising a 30-member delegation led by the BCS, will showcase software products and IT enabled services in the two parallel events.

BCS Secretary General Ali Ashfaq said it will be the second participation of Bangladesh in the Bangkok International ICT EXPO.

India wants changes to TRIPs agreement

PALLAB BHATTACHARYA, New Delhi

India has sought amendments to the Trade Related Intellectual Property Rights (TRIPs) agreement to protect the traditional knowledge and bio-diversity.

In a letter sent to trade ministers of 31 countries, Commerce and Industry Minister Kamal Nath suggested a declaration on the issue to be adopted at the WTO ministerial meeting to be held in Hong Kong later this year. This declaration would be similar to what WTO member-countries had done on public health issues during the Doha ministerial talks, he added.

Nath emphasised the need for developing a more aggressive and sharper strategy plan on the issue saying it has a strong bearing on large sections of poor or disadvantaged people who have the traditional knowledge.

"We need to form a common position before Hong Kong for taking the process towards a logical outcome", the Indian commerce minister said in the letter which came in the midst of efforts to achieve progress at the Hong Kong meeting.

"While insisting on an amendment to the TRIPs agreement in line

with our consistent policy, we could also think of a parallel line of action, similar to what we did on public health issues during the Doha ministerial meeting, namely getting a ministerial declaration on TRIPs and biological diversity, traditional knowledge and folklore." "India, along with other countries having significant biological diversity, had made submission to bring about a mutually supportive resolution to the objective of TRIPs and CBD", Nath said pointing out, however, that not much progress has been made in this area.

had asked the council on TRIPs in WTO to examine the relationship between TRIPs agreement and the Convention on Biological Diversity (CBD) for protection of traditional knowledge and folklore. "India, along with other countries having significant biological diversity, had made submission to bring about a mutually supportive resolution to the objective of TRIPs and CBD", Nath said pointing out, however, that not much progress has been made in this area.