

## Send trade teams abroad, attend fairs to boost export

### Consul generals in Bangladesh suggest govt

#### STAR BUSINESS REPORT

Honorary consul generals in Bangladesh yesterday said Dhaka can send trade missions abroad and participate in international fairs to boost its trade.

Bangladeshi products will get tremendous responses in African and South American markets if proper initiatives are taken, they said at a roundtable in Dhaka.

Steps such as advertisement of Bangladeshi products in foreign airlines, renowned newspapers and magazines can bring good results and help create a positive image of the country, they noted.

Commerce ministry and Export Promotion Bureau (EPB) jointly organised the roundtable. Commerce Minister Altaf Hossain Choudhury, Foreign ministry Adviser Reaz Rahman, Commerce ministry Adviser Barkat Ullah Bulu, EPB Vice President Mir Shahabuddin Mohammad, Commerce Secretary Faruq Ahmed Siddiqi and DCCI President Sayeeful Islam spoke at the roundtable.

Besides, 29 honorary consul generals took part in the discussion to find ways to boost trade and investment in Bangladesh.

"Our export destinations are very limited, so is our export basket. So, we have to materialise maximum potential in external trade," Altaf said.

He invited the consul generals to put forward suggestions to enhance bilateral relation with other countries and find diversified ways to attract foreign investment in Bangladesh.

Altaf also urged the consuls to initiate steps to get duty-free access of some Bangladeshi products to those countries and bolster Bangladesh's export.

The minister also suggested



PHOTO: STAR  
Commerce Minister Altaf Hossain Choudhury speaks at a discussion with honorary consul generals in Bangladesh yesterday in Dhaka. Commerce ministry Adviser Barkat Ullah Bulu, Foreign ministry Adviser Reaz Rahman, and EPB Vice President Mir Shahabuddin Mohammad, among others, are seen.

forming joint chambers of commerce with South American countries to enhance trade relation.

In the wake of the RMG quota withdrawal, the government is contemplating to explore new markets for its products, said Mir Shahabuddin.

In this regard, the government is focusing on some 29 countries, including the South American nations, where Bangladesh has no diplomatic mission and the markets remain unexplored, he added.

"This roundtable is the beginning of the negotiation... we'll continue

discussion with the envoys and send our delegations to those destinations and hold fairs there to attract the importers," the EPB vice-president said.

Honorary consul generals of Belgium (Syed Manzur Elahi), Japan (Muhammad Nurul Islam), Moldova (Mohammed Shajahan), Tunisia (Badrul Huda Khandker), Malta (Syed Mahmudul Huq), Italy (Mirza Salman Ispahani), Cyprus (Shahab Sattar) and Djibouti (M Abdul Haque) took part in the discussion.

Besides, honorary consul gener-

als of Australia, Cuba, Cyprus, Czech Republic, France (in Chittagong), Greece, Indonesia (in Chittagong), Italy (in Chittagong), Republic of Korea (in Chittagong), Lebanon, Malaysia (in Chittagong), Republic of the Maldives, Malta (in Chittagong), Republic of Poland (in Chittagong), Romania, Russian Federation (in Chittagong), The Slovak Republic, South Africa, Spain, Sri Lanka (in Chittagong), Tanzania, Turkey (in Chittagong) and Uruguay attended the roundtable.

## Sristy Hometex gets \$5 lakh export offer at Formland fair

BSS, Dhaka

Sristy Hometex Limited, a leading Bangladeshi exporter of home textile products, has received a spot order of around US\$500,000 at the recently held Formland fair in Denmark.

Managing Director of Sristy Hometex Goutam Saha, who attended the fair as a special invitee, had also a wide range of talks with other participants as well as senior officials of the Danish government to increase exports of Bangladeshi home textile and craft products to the Scandinavian countries.

Ide Mobler, HMT Design, Poetic World, Flora Deko, Nordisk Tekstil, Evelyns Estore, Franck Fischer, Perle, Format, Beige Living, Yoyo Kjar and Hansen, En Gry and Sif and Panta Rai are among the leading companies, who have showed keen interest in buying Bangladeshi home textile and craft products during the fair held from August 12 to 15.

Formland is the biggest buyers' fair for handicrafts, applied art, giftwares, furnishing accessories, design and interior products in Scandinavian countries. Sristy Hometex has already signed an agreement with the biggest Danish furniture company IDE MOBILER for round-the-year exports of Bangladeshi cushion cover products to Denmark.

## 2 Emirates flights on Dhaka-Dubai-NY route daily from Nov 7

BDNEWS, Dhaka

The Emirates Airline will operate two flights everyday from November 7 on the Dhaka-Dubai-New York route.

Besides, the airline will introduce nine airliners on the Dhaka-Dubai route and four on the Dhaka-Kuala Lumpur route from November 1.

Hanif Zakaria, the newly appointed sales manager of Emirates in Bangladesh, announced this at a press conference yesterday at Sheraton Hotel in Dhaka.

The airline has also a plan to operate international flights from Chittagong, he added.

"The Airbus 340-500 on the New York route has various facilities, including soundproof cabin, sophisticated illumination, in-flight entertainment, flat beds for first class passengers and newly equipped business and economy class," Hanif said.

## Soaring prices of commodity hurt ROK industries

ANN/THE KOREA HERALD

Hefty price increases of raw materials coupled with runaway oil prices are making a deep impact on South Korean industries because of their high dependence on imported raw materials.

According to the report of central bank released Friday, commodity prices including raw materials rose 3.9 percent in July from last year, compared with a 2.7 percent annual gain in June.

Prices of raw materials climbed at a faster clip last month with a 19.6 percent increase due to soaring oil costs, while those of intermediate goods increased by 0.7 percent.

"Soaring oil prices pushed up overall raw material costs, while rising prices of petrochemicals and metal products raised those of intermediate goods," an official at the Bank of Korea said.

Industry watchers are worrying that the skyrocketing prices of raw materials and crude oil will deteriorate profit-margins of the local export-oriented companies largely dependent on them.

"More than 50 small plastic manufacturers were driven out of business this year due to sky-high petrochemical prices," said an official of the Korea Federation of Plastic Industry Cooperatives.

The prices of propylene and compound xylene, the main materials for various plastic products, rose 20.4 per cent and 13.5 per cent, respectively in June, causing heavy cost burdens to plastic makers.

The monthly report of BOK also showed that the prices of steel scrap went up by more than 12 per cent, damaging steel mills and steel-consuming manufacturers such as automakers and shipbuilders.

Hyundai Motor Co., the largest automaker in the country, procured steel plate at \$420 per ton two years ago, but \$650 is spent for every ton of steel plate this year.

## DSE upgrades automated trading system

### Facilitates up to 1 lakh transactions a day

#### STAR BUSINESS REPORT

The Dhaka Stock Exchange (DSE) yesterday launched its upgraded automated trading system, facilitating up to 100,000 transactions a day and allowing the investors to trade from across the world through internet.

Investors now will be able to trade at ease as the DSE raised the number of workstations to 1,500 from 450.

The automated trading system was first introduced in 1998.

Science and Information and Communication Technology Minister Abdul Moyeen Khan inaugurated the upgraded system at a function at the DSE.

Speaking at the function, the minister said in the free market economy it is necessary to keep

pace with the latest technological development.

But, he said, technology has some demerits either. He suggested that the DSE be aware of such technological problems as hacking.

Md Shahaq Khan, president of the DSE, said the system will also ensure better risk management system and surveillance software.

He said the upgraded system will help the market grow in a more systematic way offering flexibility to brokers and investors and complementing trade settlement through the central depository system.

"As the new trading-engine with HP 7008 series is a mainframe nonstop platform-based system, brokers will be able to log on from any branch office throughout the country," he added.

Traders now can get updated

pricing in every three minutes as the DSE web page can now be updated within three minutes compared to previous 15 minutes," said DSE Chief Executive Officer (CEO) Salahuddin Ahmed.

"We are planning to implement online trading to rope the expatriate Bangladeshis into the local capital market," he said.

The CEO said the DSE introduced automated trading system on August 10, 1998, adopting mainframe server -- Tandem-nonstop platform -- from Tandem Computers Inc of the US, which is now merged with Hewlett & Packard (HP).

Among others, Mirza Azizul Islam, chairman of Securities and Exchange Commission, spoke at the function.



PHOTO: DSE  
Science and ICT Minister Abdul Moyeen Khan inaugurates the upgraded automated trading system at Dhaka Stock Exchange in the capital yesterday.

## Dhaka seeks more market access to Pak market

UNB, Dhaka

Foreign Secretary Hamayetuddin has met Pakistan's acting Commerce Secretary Syed Asif Shah in Islamabad and sought more market access for Bangladeshi products.

During the meeting, Hamayet, who was in Pakistan on a visit, pointed out that there exists trade imbalance between the two countries, which needs to be rectified, a Pakistani media reported yesterday.

The Bangladesh official also stressed the need for increasing interaction both at the government and private sector levels for enhancing bilateral trade.

The Bangladesh high commissioner in Pakistan and senior officials of the Ministry of Commerce were present in the meeting, the Daily Times reported.

Hamayet, who attended the Foreign Secretary-level consulta-

tions on August 19-20, referred to the market access offered to Bangladeshi raw jute, rice and tea which has been widely appreciated by the business community in Bangladesh.

He requested Pakistan to consider additional items for similar tariff concessions. He said that at present the Bangladesh government was particularly interested in importing 200,000 metric tons of boiled rice from Pakistan.

The acting secretary commerce reiterated Pakistan's interest in strengthening economic and trade relations.

He urged the Bangladesh side to resume negotiations on bilateral FTA so that additional items for tariff concessions could be considered.

Pakistan Commerce Secretary is likely to visit Dhaka in last week of September to discuss issues pertaining to bilateral trade.

## StanChart wraps up purchase of Amex business in Bangladesh

Standard Chartered Bank has successfully completed the purchase of business and branches of American Express Bank Ltd (Amex) in Bangladesh.

Osman Morad, chief executive officer of Standard Chartered Bank Bangladesh, and Qamar Hussain, senior country executive of Amex, signed off the documents on the completion of purchasing Amex business recently in Dhaka, says a press release.

In June this year, Standard Chartered announced to acquire the business and branches of Amex in Bangladesh. Following statutory approvals and a three-month transition period ending on October 31, 2005, all the assets and liabilities of Amex will be transferred to Standard Chartered.

Amex will cease to operate in Bangladesh from November 1, 2005 and all its branches and cash booths will be converted to Standard Chartered Bank brand.



## Citigroup global director of microfinance due today

Robert Annibale, Citigroup's global director of microfinance, arrives in Dhaka today on a two-day visit.

During his visit, he is scheduled to meet senior government officials, major clients of the bank and discuss micro-finance initiatives and possibilities of various financing solutions in Bangladesh, says a press release.

Annibale leads Citigroup's commercial relationships with microfinance institutions, as clients and partners, on a multi-business and multi-product basis, providing financial services and in developing product partnerships with institutions that serve the poor.

## Dhabi Group chairman arrives in Dhaka Aug 29

UNB, Dhaka

Dhabi Group Chairman and Education Minister of UAE Shaikh Mubarrak Al Nahian will arrive in Dhaka on August 29 to discuss the group's planned investment in Bangladesh.

Bol Executive Chairman and Energy Ministry Advisor Mahmudur Rahman told a press conference at the foreign ministry yesterday that the Dhabi Group has already made investment for setting up Bank Al Falah and is planning more investments in tourism and telecommunications.

Rahman could not say about the amount of possible investment but noted that the Group has made one billion dollar investment in telecom sector in Pakistan.

Asked if the August 17 blasts would affect investment climate, he said, "I have not received any such signal as our on-going discussions with investors are on." He however said the incident may delay the visits of some foreign investors to Bangladesh.

## SETTING UP ASSET MANAGEMENT CO BB differs with ADB advice

BDNEWS, Dhaka

The Bangladesh Bank (BB) has differed with an Asian Development Bank (ADB) advice on establishing asset management company (AMC) to recover the non-performing loans, official sources said.

"We have the capacity to deal with the non-performing loans without establishing an AMC," a senior BB official told the news agency, preferring anonymity.

He said the problem of classified loans could be addressed through implementation of the Central Bank Strengthening Project (CBSP) without taking any assistance from the ADB. The implementation of CBSP is under process, he added.

The ADB earlier recommended establishment of an AMC to recover classified loans. The ADB recom-

mendation was based on a report of an ADB Technical Assistance (TA) loan on "Financial Markets Governance Improvement Program".

The ADB, in its draft final report, focused on the role and constraints of the non-banking financial institutions (NBFIs) and addressed issues related to capital market improvement and mutual fund activity in Bangladesh.

Sources said the ADB would sanction a TA loan worth US\$4.3 million to the government for the programme, which will start next year.

The ADB said necessary information required to value and deal with the non-performing loans is not readily available in Bangladesh.

The present legal system supporting debt recovery still suffers

from major problems, the ADB added.

When asked, the BB official said, the ADB should specifically point out what sort of information was not readily available.

He said six consultants are working to address these types of issues under the CBSP cell of the BB.

"We have enough support for debt/asset resolution under the CBSP," he said.

A legal firm is also working to improve the existing legal framework related to banking system, he added.

An ADB team headed by its Senior Financial Specialist Soo Nam Oh is now visiting Bangladesh. They are holding talks with government officials concerned on implementation of the programme. The team will stay in Bangladesh until August 31.

## SMALL POWER PLANTS Summit signs Tk 390cr loan deal with IIDFC

STAR BUSINESS REPORT

Summit Industrial and Mercantile Corporation (Pvt) Ltd (SIMCL) yesterday signed a Tk 390 crore loan agreement with Industrial and Infrastructure Development Finance Company Ltd (IIDFC) to build small power plants.

Under the deal, IIDFC, a non-banking financial institution, will raise Tk 390 crore of debt financing in cooperation with its 10 partner banks and three insurance compa-

nies.

The SIMCL, a leading company in private sector power generation, will set up small power plants with total capacity of 130MW in different regions of Bangladesh. The total cost of these projects will be Tk 557 crore.

IIDFC Chairman M Matuil Islam and SIMCL Chairman and Managing Director Muhammed Aziz Khan signed the deal on behalf of their organisations in Dhaka.

With proper support from the

investors and financial institutions, Summit will achieve its goal to generate up to 30 percent of the country's power, Aziz Khan said while addressing the agreement signing function.

He also thanked the government for allowing the private sector to implement 10-50MW power plants.

Summit built the country's first private power project, 100MW Khulna Barge Mounted Power Plant, in 1998. It also has built three 11MW power plants.



PHOTO: SUMMIT  
Chairman and Managing Director of Summit Industrial and Mercantile Corporation (Pvt) Ltd Muhammed Aziz Khan and Chairman of Industrial and Infrastructure Development Finance Company Ltd M Matuil Islam sign a Tk 390 crore debt financing agreement on behalf of their companies in Dhaka yesterday.