

Dhaka fails to tap Canberra duty free offer

Australian envoy tells seminar

STAR BUSINESS REPORT

Although Bangladeshi goods received duty free access to Australia, the country has failed to tap the potential of this overseas market, said Australian High Commissioner Lorraine Barker yesterday.

Australia granted the facility in July 2003 but Bangladesh could not avail the opportunity to boost its exports due to lack of knowledge about Australian market, the Australian envoy in Dhaka added.

Barker was speaking at a seminar on 'Increasing of Bilateral Trade between Australia and Bangladesh' in Dhaka. Australia-Bangladesh Chamber of Commerce and Industry (ABCCI) and Ministry of Commerce, Bangladesh jointly organised the seminar where Commerce Minister Altaf Hossain Choudhury, Commerce Ministry Adviser Barkat Ullah Bulu and President of Federation of Bangladesh Chambers of

Commerce and Industry (FBCCI) Mir Nasir Hossain were also present.

There is a huge demand for Bangladeshi textile and footwear products in the Australian market. But the Bangladeshi businesses did not take the duty free access facility seriously, she felt.

Interestingly, the country's export to Australia dramatically decreased after getting duty free access from the Australian government. According to Export Promotion Bureau (EPB), Bangladesh exported goods worth \$36.711 million in the year 2003-04, but the export figure came down to \$30.70 million in 2004-05.

Barker said the local exporters should collect information about Australian market from the ABCCI in Dhaka to increase export volume.

She said with the advent of quota phase out, Bangladeshi exporters focused on increasing export to EU and North American countries bypassing Australian market.

According to Australian Productivity Commission, she said, taking the opportunity of duty free access and less competition, Fiji, an LDC country, raised its textile and footwear export to Australia tremendously during the period. And presently China is also knocking at the Australian textile market, she added.

She urged the Bangladeshi businesses to import Australian processed cotton for producing textile goods in Bangladesh. Bangladeshi textile makers can save 25 percent of their manufacturing cost by using Australian processed cotton in place of cotton imported from some neighboring countries.

Speaking as chief guest Altaf asked the Bangladeshi exporters to introduce potential Bangladeshi export-oriented products including ceramics and pharmaceuticals to the Australian businesspeople.

Mir Shahabuddin Mohammad, vice-chairman of the EPB, urged the

Australian government to reduce the existing five percent import levies on Bangladeshi agro products to Australia.

Obidur Rahman, acting president of the ABCCI, told the seminar that Australia in joint collaboration with the EPB is going to organise a catalogue show in Bangladesh soon for the Australian companies in Dhaka, Chittagong and Khulna.

Prof AKM Atikur Rahman of Department of Economics, North South University presented a keynote paper in the seminar.

Rahman said there is a good market for Bangladeshi leather, leather goods, frozen foods, handicrafts, ceramics products, fertilizer and artificial flowers in Australia.

"But the recent appreciation of Australian dollar and depreciation of taka against US dollar have made our export more competitive," he added.

SEC fines 3 directors, MD of Khwaja Mosaic

UNB, Dhaka

The Securities and Exchange Commission (SEC) yesterday fined three directors and managing director of Khwaja Mosaic Tiles and Stone Industries Limited Tk 100,000 each for violating securities rules.

An SEC statement said the company management failed to submit audited financial statement for the year ending June 30, 2004 and the half-yearly report as on December 31, 2003.

Directors Salauddin, Mesbauddin and Jamaluddin and Managing Director Ahaj Mainuddin were penalised.

The SEC asked them to pay the respective penalty within 15 days from Sunday. For delay in depositing the fines with the SEC, they will each have to pay Tk 10,000 for each day of default, it said.

China seeks to double trade with Canada by 2010

AFP, Toronto

China President Hu Jintao pressed Canada's business leaders in Toronto Saturday to help double bilateral trade by 2010.

Hu told some 800 business, political and Chinese-Canadian community leaders the two were "important trading partners, however, given the size of our two economies, there is still potential for more bilateral trade and economic co-operation."

"Canada with its highly developed economy, diverse industrial sectors and rich natural resources and China with its rapid growth and huge market are highly complementary," Hu said.

Prime Minister Paul Martin and Hu agreed on Friday to work together on nuclear energy, to triple passenger and cargo flights between the two, and to share railway technology.

Bangla-Pak JEC meet today

FTA to dominate talks

UNB, Dhaka

The eighth meeting of the Bangladesh-Pakistan Joint Economic Co-operation (JEC) begins here today to discuss ways to boost trade and economic co-operation with special focus on bilateral free trade agreement (FTA).

Commerce Minister Altaf Hossain Choudhury will lead the Bangladesh delegation at the two-day meeting while Pakistan side will be headed by Advisor to the Prime Minister of Pakistan on Finance and Revenue Dr Salman Shah, who arrived here yesterday.

"Trade potential between the two countries is unlimited, but the trade volume (at present) is limited. We

think the two-way trade can be increased to one billion dollars annually," Shah told reporters after a meeting with Foreign Minister M Morshed Khan at the latter's office in the afternoon.

He said the JEC meeting will discuss the issue of bilateral FTA aiming at giving a boost to the bilateral trade as well as look for different options to reduce the trade imbalance that Bangladesh suffers with Pakistan.

Bangladesh has a trade deficit of about US\$ 16 million in FY2003-04 with its exports to Pakistan at US\$ 45 million against imports worth US\$ 61 million, according to official figures.

During July-December period of FY2004-05, Bangladesh's exports

stood at only US\$ 13 million against its imports from Pakistan at US\$ 65 million.

"We had useful discussion. The people of Pakistan want close and productive relation with Bangladesh," he said after the meeting.

Earlier, Shah called on Prime Minister Khaleda Zia who, he said, "fully wants to support the economic and political co-operation between the two countries."

Commerce ministry sources said at the JEC meeting the Pakistan side will be interested to discuss the trade and commerce related issues, industrial co-operation and co-operation in agriculture, railway, telecommunications, water and power sectors.

PHULBARI COALMINE

Mining firm plans to import \$300m machinery

BDNEWS, Dhaka

UK-based Bangladeshi coal mining firm Asia Energy plans to import US\$300 million worth of mining equipment for extracting coal from Phulbari coalmine, which will be the single largest ever machinery imports in Bangladesh, according to company sources.

US-based Komatsu and Caterpillar might jointly get the order for supplying excavators, big trucks and other equipment to Asia Energy, the sources added.

A four-member team led by Ralph MacMillan, general manager (Mining Department) of Komatsu Asia & Pacific Pte Ltd, Singapore, is currently visiting Bangladesh to meet with Asia Energy officials comprising Bill McIntosh, executive director of Asia Energy plc, and other Asia Energy (Bangladesh) Pte Ltd officials.

The Komatsu team is also scheduled to meet Chairman of the Board of Investment (BoI) and Advisor to the Energy Ministry Mahmudur Rahman on Tuesday, the sources said.

Both the suppliers will also be asked to make a major investment in Bangladesh through setting up a large workshop at Phulbari for maintenance of the equipment.

According to the sources, over 100 technicians will have to be trained for the maintenance of the costly equipment.

EU wants more cheaper oil

REUTERS, Manchester, England

European ministers urged the oil-producing countries Saturday to boost supplies rapidly to combat soaring fuel bills and told oil companies to reinvest more of their vast profits in exploration and refining.

After chairing a meeting of European Union finance ministers in England, British finance minister Gordon Brown called on Opec states to raise production by half a million barrels per day ahead of its September 19 meeting.



Commerce Minister Altaf Hossain Choudhury (3-L), Commerce Ministry Adviser Barkat Ullah Bulu and Australian High Commissioner Lorraine Barker are seen at a seminar in Dhaka yesterday. President of Federation of Bangladesh Chambers of Commerce and Industry Mir Nasir Hossain was also present.

Pakistan offers help for railway development

UNB, Dhaka

Pakistan is interested to co-operate with Bangladesh in developing its railway sector, particularly conducting a feasibility study for introducing high-speed electric train service.

Visiting Finance and Revenue Affairs Adviser to Pakistan Prime Minister Dr Salman Shah said this when he met Communications Minister Nazmul Huda here yesterday.

Shah is leading a four-member Pakistan delegation.

The delegation members said

Pakistan is interested to take part in development of Bangladesh Railway, especially conducting a feasibility study for introducing high-speed electric trains and improving passenger service by providing modern railway carriages.

The communications minister told the delegation members that the government is implementing a number of important projects for improving passenger service and infrastructure development of the railway, recognising it as a 'thrust sector'.

Proposed Dhaka-Chittagong

electric train service, Dhaka-Yangoon highway project, development of a CNG-driven transport system and alternative solar power development project also came up at the meeting for discussion.

Communications Secretary M Shafiqul Islam, Pakistan High Commissioner in Dhaka Alamgir Babar, DG of Bangladesh Railway AFM Mostafizur Rahman and R&H Chief Engineer AKM Fayzur Rahman were also present at the meeting.

India, China set to reopen direct trade links

AFP, Nathu La Pass, India

The world's two most populous countries India and China are working to set up their first direct trade link since a 1962 border war by reopening a section of the famed Silk Road, Indian officials said Sunday.

The point of contact is the 15,000-foot (4,545 metre) Nathu La pass on the border between

India's Sikkim and China's Tibet where hundreds of Indian workers are repairing roads and building customs facilities, Sikkim government spokesman B.B. Gurung told AFP.

"As per plans, border trading is to begin from October 2 with the reopening of the traditional Silk Road," Gurung said. "Infrastructure development and construction of roads leading to Nathu La is

going on at a brisk pace and everything should be complete before the deadline."

The trading post, 52 kilometres (33 miles) east of the Sikkim capital Gangtok, is the clearest sign yet of rapprochement between the two countries which still dispute much of their 4,000-kilometre (2,400-mile) border that stretches from Kashmir in the west to India's far-eastern state of Arunachal Pradesh.