

4 land ports go under private operations

Bid to facilitate efficient, smooth handling of goods

BDNEWS, Dhaka

The government yesterday handed over the operations of four out of 13 land ports to private sector under Build-Operate-Transfer (BOT) basis for a period of 25 years to facilitate efficient and smooth handling of goods.

The ports awarded through open tender are Sona Masjid in Chapainawabganj, Hili in Dinajpur, Banglabandha in Panchagarh and Bibir Bazar in Comilla.

The government also has a plan to hand over the operations of other land ports to private sector in phases.

However, the private operators will have to wait for nearly three months to start infrastructure development works as the agreement on land transfer in the port areas is to be done.

"The land transfer agreement will be signed within three months," Amjad Hossain Sarker, chairman of

Bangladesh Land Port Authority (BLPA), told reporters following the signing of the contracts with the companies concerned.

BLPA chairman and the chiefs of the bid-winning companies signed the agreement papers for transferring authorisation of handling the ports at the BLPA office.

Alaudin Ahmed, chairman of ERBA Ltd, Abul Kalam Azad, managing director of Shepherd Textile (BD) Ltd, and Muniruzzaman Chowdhury, managing director of Panama Trading Ltd, signed the agreements on behalf of the respective companies.

Ruling party lawmaker Shahjahan Ali Mia and the BLPA senior officials were also present at the function.

Under the agreement, the Panama Trading Ltd has been tasked with operating Sona Masjid and Hili ports.

The company will share 49 percent of its annual revenue with the government as variable royalty.

The Shepherd Textile (BD) Ltd and the ERBA Ltd will operate Bibir Bazar and Banglabandha ports respectively. The ERBA Ltd will share 31.26 percent variable royalty and Shepherd 15.01 percent with the government, according to the agreement.

The companies will also pay a fixed amount of royalty to the government annually for using land and other facilities for the next 25 years. The ports will be taken over by the government by the end of the period.

Under the agreement, the private operators will have to make advance payments on the basis of potential amount of revenue collection. The amount of advance payment for operating Sona Masjid is Tk 50.7 million, Hili Tk 28.5 million, Banglabandha Tk 5.8 million and Bibir Bazar Tk 5.8 million.

Muniruzzaman Chowdhury, MD of Panama Trading, alleged that the BLPA is taking the advance payments, although there is no such provision in

port transfer policy of the government.

Earlier, the BLPA decided to transfer the land ports in three phases to the private operators.

Biror land port was supposed to be handed over in the first phase. However, the BLPA chairman said the Biror land port will be transferred shortly following the establishment of a railway station in the port areas for facilitating handling goods.

He said Teknaf in Cox's Bazar, Akahura in Brahmanbaria, Tamabil in Sylhet and Burimari in Lalmonirhat will be transferred in the second phase, next year.

Darshana in Chuadanga, Halaughat in Mymensingh and Bhomra in Satkhira will be handed over in the third phase under the scheme.

Amjad Hossain expected that the overall revenue collection and the efficiency of the ports will be increased following this transfer.

SEDF signs deal with 4 seed companies

BDNEWS, Dhaka

SouthAsia Enterprise Development Facility (SEDF) yesterday signed an agreement with four leading seed companies in order to develop their markets.

The main target of the agreement is to address small and medium enterprises (SMEs) through the companies for greater production efficiency and better products for the local and international markets.

The companies are East West Seed Bangladesh Ltd, North South Seed Ltd, Supreme Seed Company Ltd and Chen's Crop Science Ltd.

Together these companies represent almost 50 percent of the total market share of the private sector and work at different levels of the supply and value chain of the sector, said a press release of the SEDF.

It said: "Through working with them SEDF will leverage their extensive network of distributors and farmers and facilitate linkages between service providers and companies.

Speaking at the function, East West Seed Chairman Abdul Awal Mintoo said good quality seeds are essential. "SEDF's co-operation can strengthen the supply chain and it is badly required in our country," he said.

The function was also attended by AHM Humayun Kabir, DMD of Supreme Seed Company Ltd, and P. Adhikary, Zaki Uz Zaman, Syeda Masarrat Quader and Anika Ali of the SEDF.

Asia Energy proposes 500mw coal-fired plant in Phulbari

STAR BUSINESS REPORT

British company Asia Energy Corporation, which recently tabled a development plan for the Phulbari open-pit coal mine, submitted a proposal yesterday to set up a 500-megawatt coal power plant near the mine.

The Bangladesh subsidiary of the company filed the proposal with the Board of Investment and the Power Development Board (PDB).

PDB sources said that the company proposed a 25-year levelised tariff of US 4.954 cents (Tk 3.18 at current exchange rate) per kilowatt hour. In contrast, the gas-fired AES Meghnaghat and Haripur plants charge 20-year levelised tariff of 2.79 cents and 2.73 cents.

"This proposal... aims to maximise the synergy of the Phulbari Coal Project with the rapidly growing energy needs of the country," said Asia Energy Bangladesh's chief Gary Lye in

a press release.

The plant will use pulverised technology to generate 3,700 gigawatt hour (GWh) power a year by burning 1.5 million tonnes of coal, about one tenth of the 15 million tonne total annual output from the mine.

To be set up at a cost of 476 million US dollars, the plant will be situated at the mouth of the mine. The single unit configuration is the largest unit generator size currently planned for the power grid in Bangladesh.

Asia Energy did not disclose the proposed tariff to the press yesterday. Officials told The Daily Star that the tariff will be competitive and it will be disclosed after negotiations with the government.

Asia Energy will carry out the environmental and technical studies required for negotiation of final agreements, and in order to keep in step with the planned development of the mine, construction could begin in 2008, with power being delivered by 2011.

In view of the significant coal reserves in Phulbari and the future demand for power in Bangladesh, the plant design and layout allows for the addition of a second unit alongside the first for a total installed capacity of 1,000 MW.

Asia Energy submitted its Feasibility Study and Scheme of Development for its Phulbari Coal Project to the government on October 2, 2005 with a view to obtaining final approval to start mining activity in 2006.

Power shortage has been identified as a critical bottleneck to economic development in Bangladesh. The country has an installed electricity capacity of 4,800 MW, and demand is forecast to increase to more than 8,000 MW by 2011. Most of the country's power is generated from gas, and an increase in coal-fired power is seen as strategically important.

GLOBAL ECONOMY

G20 finance, bank chiefs to tackle challenges

AFP, Beijing

Challenges threatening global economic growth, including soaring oil prices, asset bubbles and trade imbalances will top the agenda when finance and bank chiefs from 20 of the most important countries meet in Beijing later this week, analysts said.

The gathering of finance ministers and central bank governors from the Group of 20 major developing and rich nations comes after world oil prices hovered at around 65 dollars a barrel, threatening to slow growth in developed and developing countries.

While the October 15-16 meeting will mainly focus on development issues and reform of the International Monetary Fund and World Bank, the top issue will likely be energy, US Treasury Undersecretary Tim Adams said last week.

"You have both producers and consumers sitting around the same table," said the deputy to US Treasury Secretary John Snow, who was to arrive in Tokyo Sunday to launch a 10-day tour that will also take him to China.

Economists increasingly worried about asset bubbles in many of the major economies said the G20 will no doubt have to address the unhealthy

trend.

"In terms of bubbles, this is probably the biggest bubble ever. It's everywhere. There's property bubbles in the UK, US, Australia, Europe, some parts of Asia," said Raymond Foo, Asia regional strategist for BNP Paribas Peregrine.

"The world monetary policy is just way too easy and that has created way too much money. Money has to find a place to go and it has to go into asset classes so by default they then create bubbles. Prices become way too expensive."

The United States, the biggest and most influential economy in the world, will face the most pressure to correct the imbalances, Foo and others said.

While much focus has been placed on China's currency, which Western countries said is undervalued by as much as 40 percent, China is much less important in the global environment, Foo said.

"We pay way too much attention to China. The Chinese economy is still only less than a third of the Japanese economy and only 10 percent of the US economy, so it's still very small in terms of the importance in the global environment," Foo said.

Woes mount for South Korea's Samsung

AFP, Seoul

Domestic woes are mounting for Samsung, South Korea's biggest and most profitable business group, recognized as a major global player and market leader in memory chips.

Last month, while Japanese rival Sony was announcing restructuring plans including 10,000 job cuts, Samsung Electronics paraded a 33-billion-dollar expansion plan creating 14,000 new jobs.

The company that emerged from the 1997 Asian financial crisis stronger than ever, topping the Hyundai group as South Korea's top corporate performer, should have been basking in glory and applause.

Instead, the announcement only succeeded in temporarily deflecting public attention away from a tangle of troubles that have been brewing around the company for months.

A major difficulty for the corporate giant that accounted for nearly 20 percent of all South Korean exports last year has been its battle against a government-backed drive to limit the power of top conglomerates.



Nasreen Awal Mintoo (2-R), president of the Women Entrepreneurs Association of Bangladesh (WEAB), speaks at a press conference in Dhaka yesterday on the eve of 'Asian Women Entrepreneurs Eid Festival 2005' that begins today at Gulshan in the capital.

Asian women entrepreneurs' Eid festival begins today

STAR BUSINESS REPORT

A six-day 'Asian Women Entrepreneurs Eid Festival 2005' begins today in Dhaka.

The Women Entrepreneurs Association of Bangladesh (WEAB) in association with the Pakistan High Commission in Bangladesh is organising the second version of the event.

Commerce Minister Ataf Hossain Chaudhury is expected to inaugurate the event, sponsored by Bank Alfalah Ltd, at the National Shooting Federation Complex in Gulshan-1, where Commerce Ministry Adviser Barkat Ullah Bulu, and President of the Federation of Bangladesh Chamber of Commerce and Industry (FBCCI) Mir Nasir Hossain will also be present.

More than 60 stalls, including 16 from Pakistan and eight from India, will display and sell mostly fashion wares, cosmetics, handicrafts, crafted ornaments and processed food items during the festival.

Women entrepreneurs from Nepal, Bhutan, Iran, Turkey and Indonesia will also display their products in the Eid festival, which will remain open from 11am to 10pm everyday to all with entry fees.

"The aim of the festival is to promote small and medium cottage industries run by women in the international arena and make opportunities for them to sell their products," said Nasreen Awal Mintoo, president of WEAB and chairperson of Saarc Chamber of Women Entrepreneurs Council (SCWEC), at a press conference in Dhaka yesterday.

Roubina Taufiq Shah, commercial secretary of the High Commission of Pakistan in Bangladesh, Naaz Farhana Ahmed and Sajeda Minhaj Mukul, vice presidents of WEAB, and Majedur Rahman, head of Bank Alfalah in Bangladesh, also spoke at the press conference.

Lanka entering new era of tourism management

ANN/ THE ISLAND

Chairman of the Hotel and Catering Management International Association (HCIMA) Kamal Hapuwatte said Sri Lanka is entering into a new era of tourism and hospitality management, after the dark period the industry went through due to the tsunami.

"The hospitality companies are looking for more stringent and co-efficient policies in managing their properties to recover losses they suffered due to the tsunami" he noted. The staff is expected to be more

productive and efficient in their day to day work and most of the hotels have reduced the number of employees to achieve these objectives, Hapuwatte said.

"It is a time that "professionalism will emerge as the surviving strategy in the industry, will no doubt look up to professional organisations such as HCIMA to play a major role in enhancing the professionalism among the personnel engaged in the industry," he stressed.

"The Executive Committee of HCIMA is fully committed to play this role wholeheartedly."

He was addressing the members and invitees at the seventh annual Chairman EDs Black Tie Dinner of the HCIMA at the Waters Edge last week.

"To this end, we are planning to conduct a series of short seminars throughout the country in the near future while the Sri Lanka Tourist Board as the National Tourism Authority, and the Sri Lanka Institute of Tourism and Hotel Management are preparing to face up to the challenge with a complete restructuring programme. This is currently underway and will come into effect from the beginning of 2006", Hapuwatte noted.

China still needs WB help, chief says

AFP, Tokyo

Despite its booming economy, China still needs assistance from the World Bank to alleviate widespread poverty, particularly in rural areas, its chief Paul Wolfowitz said Sunday.

"There are nearly 200 million people living in extreme poverty in China in spite of the enormous progress that has been made in the last 20 years," he told reporters here on the first stop of a tour of Asia.

World Bank assistance, which currently amounts to about one billion dollars a year, was no longer the largest contributor to China's development, he noted. "But it is appropriate, in part because there are still large numbers of people in China living in poverty. It's our mission to help those people anywhere in the world find opportunities for a better life."

The World Bank president touched down in Japan at the start of a two-week tour that will also take him to China and Russia ahead of a meeting of the Group of 20 finance ministers near Beijing.

The World Bank chief said that although China was still a major recipient of assistance, he hoped that in time Beijing would itself become a significant contributor.

"We're in a process of moving from China as a major recipient of World Bank assistance to, at some point in the future, probably China will become a significant donor to the World Bank."

Thai PM heads to Paris in trade push

AFP, Paris

Thai Prime Minister Thaksin Shinawatra was to start a two-day visit to Paris Sunday whose aim officials said was to deepen ties with French President Jacques Chirac, press for better bilateral trade and address the UNESCO General Conference.

Thaksin was due to fly into the French capital late Sunday to ready himself for his official itinerary, which was to start Monday. After delivering his UNESCO speech on Tuesday, he was to continue on to Brussels and then London, Helsinki and Moscow.

According to diplomats, the 56-year-old Thai prime minister was also to use the Paris leg to make preparations for Chirac's visit to Thailand next January.

A spokesman for the Thai foreign ministry in Bangkok said Thaksin had a good relationship with Chirac and wanted to develop a "strategic relationship" between his country and France through which Paris could develop opportunities in Asia and Thailand could seek to have influence in French-speaking Africa.

Thailand is notably backing Deputy Prime Minister Surakiat Sathirathai as a candidate to replace UN Secretary General Kofi Annan next year.