

## Bangladesh to take part in Infocom fair in Kolkata

**BDNEWS, Dhaka**

Bangladesh will participate in the five-day Infocom 2005 fair in Kolkata beginning on December 7.

Nascom, a well-known IT platform of India, will organise the fair with the participation of 18 countries at the Salt-lake City Electronics Park.

Bangladesh Computer Samity (BCS) and Internet Service Providers Association of Bangladesh (ISPAB) will take part in the fair.

In the Bangladesh pavilion, 12 IT organisations, including Daffodil, Rabsoft, XOS, Shaili and RM Systems will showcase their technologies as well as services.

## StanChart continues to progress Amex acquisition

Standard Chartered Bank (SCB) recently opened another branch at Dhanmondi in Dhaka.

Osman Morad, chief executive officer of SCB Bangladesh, and Qamar Hussain, senior country executive of American Express (Amex) Bank Ltd, inaugurated the branch on Road no 13, says a press release.

Selim RF Hussain, chief financial officer of SCB, among other senior officials, was present at the inauguration.

SCB is continuing to progress the conversion of Amex branch licenses to that of SCB following its recent purchase of Amex's domestic business and branches in Bangladesh.

## Yahoo Japan posts higher net profit in Q2

**REUTERS, Tokyo**

Yahoo Japan Corp said Friday its quarterly net profit grew 28.9 percent, helped by its online auction and Web advertising businesses, and forecast strong results in the current quarter.

Japan's top Internet portal said consolidated net profit for the three months ended Sept 30 rose to 11.14 billion yen (\$96.61 million) from 8.6 billion yen a year ago. That was in line with its expectations of 10.2 billion yen to 11.8 billion yen.

Yahoo Japan said it expected a net profit of between 10.85 billion yen and 12.35 billion yen for the quarter ending in December, compared with 9.3 billion yen in the year-earlier period.

The bulk of Yahoo Japan's revenues come from Web search ads and its online auction service, the country's largest. It also runs an online shopping site and offers fee-based services for consumers and businesses.

Shares in Yahoo Japan rose 14.2 percent in the latest quarter, under performing Tokyo's information and communications sub-index ICOMS, which rose 15.1 percent.

## North Korea cancels Hyundai meeting

**AFP, Seoul**

A planned meeting between South Korea's Hyundai Group and North Korea was cancelled Friday as Pyongyang apparently began taking revenge for Hyundai's firing of an executive favoured by its leader Kim Jong-Il.

Pyeongyang failed to send invitations to two officials from Hyundai Asan Corp, the group's subsidiary in charge of inter-Korean projects in North Korea, who were to visit the capital for talks on a tour project.

"We have decided to cancel the trip. Under these circumstances, we doubt whether we should go ahead with the trip," a Hyundai spokesman said after failing to receive the expected invitations.

North Korea on Thursday accused Hyundai of backpedalling its "earlier good faith" by sacking Kim Yoon-Kyu as its vice chairman earlier this month, accusing him of embezzling one million dollars in company and state funds.

"This, therefore, compels the north to comprehensively examine all undertakings with Hyundai and readjust them," the Korea Asia-Pacific Peace Committee said in a statement on Thursday.

Pyeongyang urged Hyundai to bring Kim back to his original post, a demand flatly turned down by the Hyundai Group.

# Govt to hold exporters' conventions

## Bid to draw up plans to boost exports

**JASIM UDDIN KHAN**

The government has decided to organise conventions of exporters in different cities to know about the exporters' problems and draw up plans to boost the country's export earnings.

The Ministry of Commerce has initiated the step, the first of its kind, to hold the conventions soon in Dhaka, Chittagong and Khulna.

"We need to know more about the problems and hindrances the businesspeople are facing in exporting goods and devise a plan of action by exchanging views with the exporters," a commerce ministry official said Thursday.

He said such convention will help the government policymakers and the

exporters take up a right plan of action to bolster the overall exports.

The ministry has directed the Export Promotion Bureau (EPB) to prepare a draft programme for holding the conventions.

Following the directive, EPB Chittagong bureau office has sent a programme proposal, in which it proposed to hold the convention on November 28.

In the draft proposal, the bureau also recommended a list of exporters from eight categories.

The bureau also proposed inviting Commerce Minister Altaf Hossain Choudhury, State Minister for Civil Aviation and Tourism Mir Mohammad Nasir Uddin, Commerce Ministry Adviser Barkat Ullah Bulu and EPB

Vice Chairman Shahbuddin Mohammad to the convention.

The EPB Khulna bureau has sought two-month time to hold such convention and guidelines from Dhaka office to finalise the draft programme.

The central exporters' convention in Dhaka will take place later and the draft programme in this regard is yet to be prepared.

A director of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) said such convention will really help the exporters exchange their practical experiences with their fellow colleagues and the policymakers devise future plan of action.

# India ups foreign investment level in phone companies

**AFP, New Delhi**

India's cabinet Thursday gave formal approval to raise the limit on foreign company ownership of telecoms companies to 74 percent from 49 percent, a senior minister said.

"The cabinet has cleared the proposal to hike foreign direct investment (FDI) in the telecom sector to 74 percent to meet the funding needs of the growing industry," S. Jaipal Reddy, Minister for Information and Broadcasting, told reporters after a cabinet meeting.

India has emerged as the world's

second-fastest growing mobile phone market after China and it has an ambitious target of adding some 200-250 million users by 2007, compared with about 55 million now.

This breakneck expansion would require investment of nearly 1.5 trillion rupees (34 billion dollars), according to the telecommunications ministry.

US-based investment bank Morgan Stanley says India's mobile market is expected to grow at 40 percent a year until 2007.

India had 14 private phone companies when it opened up its cellular market in the mid-1990s. Since then,

four have become dominant players -- Bharti Televentures, which has a tie-up with Singapore Telecom; Essar, which has a deal with Hong Kong-based Hutchison Whampoa; and the Sterling and Tata groups.

With the proliferation of mobile phones, the telephone penetration rate in India has shot up to eight percent from less than three percent five years ago, but that is still well below the global average of around 15 percent.

Industry experts say lower tariffs have spurred the rapid growth in India where the average person earns just 1.6 dollars a day.



PHOTO: BENCHMARK

Osman Morad, chief executive officer of Standard Chartered Bank (SCB), and Qamar Hussain, senior country executive of American Express (Amex) Bank Ltd, inaugurate a branch of SCB at Dhanmondi in Dhaka recently. Selim RF Hussain, chief financial officer of SCB, among other senior officials, is seen.

# Indian rupee strong, inflation moderate

## Says finance minister

**REUTERS, New Delhi**

The Indian rupee is still strong despite its recent fall against the dollar and the economy will continue to attract strong foreign capital inflows, Finance Minister Palaniappan Chidambaram said Friday.

"As on Oct 18, the rupee is still strong despite some nominal depreciation. In terms of the real effective exchange rate (REER), the rupee is reasonably a strong currency," he said.

After a four-session slide, the rupee recovered ground today and was quoted at 45.09/10 on support from a rebounding local stock market and the dollar's slide from recent highs overseas.

The Indian currency had slid 3 percent this month to an 11-month low of 45.41 per dollar on Wednesday amid worries about foreign fund outflows falling stocks, the dollar's strength, and widening trade and current account deficits.

Chidambaram also said he was

confident that foreign institutional investor (FII) inflows would remain strong.

"FII investment beginning April has been around \$4.3 billion and in calendar 2005 it is around \$8.2 billion so far. The FII investor is here to stay for long.

"We will continue to get large inflows of FII investment but when we are getting inflows there will also be outflows and we must take it in our stride.

# EU, US claim 'substantial progress' in air traffic talks

**AFP, Brussels**

The EU and the US Friday claimed "substantial progress" this week in long-stalled talks on the transatlantic air market although the main sticking point of stepping up competition remains on the table.

"The delegations made substantial progress on the key elements of such an agreement and expressed their commitment to work hard to reach early and successful results," the EU and US said in a joint statement.

"There is also a clear commitment on both sides to achieve further

liberalisation of the transatlantic aviation market in subsequent steps," it added.

With the conclusion of the latest round of "open skies" here, new talks were scheduled in Washington for the week beginning on November 14.

The aim is to do away with the existing patchwork of bilateral agreements between various EU members and the United States and set up one system regulating transatlantic air transport.

The talks also covered plans to step up transatlantic cooperation on safety.

European Commission spokesman Stefan de Rynck told journalists that the talks in Brussels this week had focused on regulatory and competition aspects, where agreements had been reached.

However, De Rynck said that "there is an important issue that remains on the table and that is market access."

The Europeans are eager to have greater freedom to fly from any European country to the US -- which is not possible under the existing bilateral accords -- and ultimately compete with American carriers on domestic flights in the US.

**MICROENTREPRENEURS' AWARD**

## 20 finalists selected

The Global Microentrepreneurship Awards (GMA) programme launched by Citigroup Foundation and the United Nations Capital Development Fund (UNCDF) in Bangladesh has received a significant response from all over the country, says a press release.

Five finalists in each of the four categories of the awards -- Best Micro Finance Institution (MFI) of the Year, Most Innovative Business of the Year, Best Woman Microentrepreneur of the Year and Best Microentrepreneur of the Year -- have now been selected from more than 450 applications by a high level screening committee formed for this programme.

The final winners of the four awards will be announced in mid November.

The year 2005 has been announced as the International Year of Microcredit for building inclusive financial sectors to achieve the millennium development goals.

This award has been launched especially to commemorate this year with an aim to identify the successful microentrepreneurs and honour best practices of micro enterprises in Bangladesh.

## Siemens provides GPRS solution for BTTB mobile project

Siemens Bangladesh has recently implemented GPRS (General Packet Radio Service) solution for BTTB (Bangladesh Telegraph and Telephone Board) GSM Mobile Project.

The features of sophisticated Siemens GPRS solution include photo talk, animated instant voice messaging, person-to-person gaming, audio-video streaming, video download, internet access and video calls, says a press release.

The integration of the most advanced technology makes it possible to adopt the Assisted Global Positioning System (A-GPS) in Siemens GPRS solution. A-GPS offers location-based features such as position of a restaurant or a patrol station. A-GPS can also be used for tracking any person or vehicle.

## Cisco plans \$50m facility in India

**AFP, New Delhi**

US computer networking firm Cisco will spend 50 million dollars to build a new business campus in the southern Indian technology hub of Bangalore, the company's president said Friday.

"When completed the new facility will have the capacity to accommodate approximately 3,000 staff," Cisco President John Chambers told reporters.

The campus is expected to be completed by June 2007.

"India has been and continues to be a strategic market for Cisco both in terms of business opportunities and as a base for outstanding engineering talent," Chambers told reporters in Bangalore.

"Our Indian operations are the largest outside the United States. Cisco is optimistic about India's future," he said.

The proposed Bangalore campus will house Cisco's research and development staff and employees engaged in sales, customer support and information technology.

## BP chief to meet China's oil majors

**AFP, Shanghai**

Head of British oil major BP, Lord John Browne, will visit China in November and meet with its three largest oil companies amid reports his company is seeking an ambitious deal with Sinopec, the company said Friday.

"Browne will come to China for a regular visit as a member of the advisory board of Tsinghua University," BP spokesman Micheal Zhao said.

"Of course he will use this opportunity to meet all of BP's partners while he is here."

China's major oil companies are China National Petroleum Corp, CNOOC (China National Offshore Oil Corp) and Sinopec (China Petroleum Chemical Corp).

Of them, Sinopec is holding high-level discussions with BP on a deal which could equal BP's historic seven billion dollars joint venture with Tyumen Oil Co in Russia two years ago, the Financial Times said last week.

## SAFTA NEGOTIATION ENDS IN KATHMANDU

# Experts fail to agree on key issues

**BDNEWS, Kathmandu**

The 11th meeting of Saarc Committee of Expert (CoE) ended in the Nepalese capital Wednesday inconclusively, as the technical experts failed to hammer out consensus on rules of origin, sensitive list and revenue compensation mechanism, the three outstanding issues of Safta accord.

The indecisiveness has raised a serious concern over its implementation on time.

According to a Saarc Secretariat press release, the meeting of high-ranking commerce officials of seven-member regional bloc, South Asian Association for Regional Cooperation (Saarc), held extensive discussion on the remaining outstanding issues -- sensitive lists, rules of origin and revenue loss compensation mechanism.

However, the CoE in the two-day meeting held on October 18-19 finalised the annex relating to technical assistance to the least developed country (LDC) members.

"The sensitive lists and rules of origin were substantially finalised,"

stated the press release. "On the revenue loss mechanism the administrative arrangements regarding the making of claims, processing thereof and payment of compensation have already been agreed."

The secretariat said that the meeting comprehensively discussed alternative formulas and other details regarding the mechanism. It also decided to resolve all outstanding issues at its next meeting.

The Safta agreement was signed during the 12th Saarc summit on January 6, 2004 and is to enter into force on January 1, 2006. The CoE was entrusted with the task of completing negotiations on the four outstanding issues of sensitive lists, rules of origin, revenue loss compensation mechanism, and technical assistance.

When finalised, they are to be contained in four annexes to form an integral part of the agreement.

"The meeting has been able to narrow down differences substantially on the sensitive lists and rules of origin. However, the member countries couldn't reach the conclusion,"

said a participating member at the

meeting.

Except regional cumulation, the member countries have agreed to finalise the rules of origin, while general rules of origin have already been finalised. The official also said that all the member countries presented their reduced sensitive lists to be traded under Safta regime and discussion was held on bilateral basis.

"For the revenue compensation mechanism, Bangladesh presented a formula that all the member countries agreed with except the Maldives," said the official. "Although all the member countries reached close to the final agreement in all outstanding issues, the meeting decided to resolve the remaining matters at commerce secretary level meeting," he added.

As for the special derogation, formula for revenue compensation and sunset clause, which fixes the duration of effectiveness of the revenue compensation facility for the LDCs, he viewed that political decision would have to be taken to agree on those.

# Oil prices hold at \$60

**REUTERS, Singapore**

Oil prices held around \$60 on Friday after a 2.2 percent slide the previous day as US oil and natural gas stocks swelled, revealing weaker demand in the world's top consumer.

US light crude oil futures for December delivery eased 1 cent to \$60.01 a barrel, after sliding to nearly a three-month low of \$59.65. November crude expired \$1.38 lower on Thursday at \$61.03.

London Brent crude traded 21 cents lower at \$57.70.

The slide came after US data on Thursday showed a big rise in natural gas stocks, adding to a huge build

in crude and a shock rise in gasoline inventories reported on Wednesday.

Hurricane Wilma, which had spooked traders when it threatened to give western Gulf of Mexico oil facilities their third beating this year, was expected to track instead toward Florida.

The IEA, adviser to 26 industrialised nations, coordinated a 30-day global release of up to 60 million barrels of crude and refined products such as gasoline to make up for shortages after Katrina slammed into US Gulf rigs and refineries.

The West's energy watchdog said it would not authorise a further

release of its member oil stocks but would be ready to order more supplies to meet any serious future shortages.

Some analysts said supplies of fuels such as heating oil, which fell last week but remained higher than this time in 2004, could still spell higher prices as the northern hemisphere approaches winter, when global fuel demand peaks.

Economic data showing major economies still powering ahead, despite high prices, have also checked oil's decline from its end-August record peak of \$70.85 a barrel in New York.