

French trade officials from S Asia meet in Dhaka Nov 25

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A regional meeting of French trade commissioners from South Asian countries begins in Dhaka on November 25 to upgrade the present level of communication between local companies and their French counterparts.

As part of 'French Days-2005', which will run from November 24 to 27, French trade commissioners from India, Pakistan, Afghanistan, Sri Lanka and Bangladesh along with officials from French Ministry of Economy and Finance will take part in the meeting, the first of its kind in Bangladesh.

France-Bangladesh Chamber of Commerce and Industry (CCIFB) in collaboration with French Trade Commission will organise regional meet at Sonargaon Hotel.

During the four days, Dhaka will

also experience the regional meeting of the French Business Council of South Asia.

The meeting will witness participants from various countries of South Asia representing companies such as Air France, St. Gobain, Suez, Degremont, Total, Alcatel and Lafarge.

The next week's meeting has much significance, as local businesspeople will get opportunities to share their views with French trade policy makers, said Dominique Simon, French Trade Commissioner (Economic Department) in Bangladesh, at a press conference yesterday.

He said French trade bodies and business houses of the region will also meet representatives of some local leading chambers and companies besides officials of Export Promotion Bureau and Board of Investment.

Jacques-Andre Costilhes, French ambassador in Dhaka, said, "Bangladesh's image in France is quite better. But most of the French businessmen have no idea about Bangladeshi products," he added.

A Bangladesh exhibition will be held in France in next year, he said.

Earlier, the French trade commissioner in Dhaka said team of Bangladesh Export Processing Zones Authority (Bepza) is scheduled to visit France this month to attract French investment in Bangladesh.

A seminar titled 'Water Resources Management and Flood Control in Bangladesh' and a cultural show will also feature in the four-day event.

Among others, Qayyum Khan, president of CCIFB, Syed Farhad Ahmed, vice-president of CCIFB, and Rifat Rashid, director of CCIFB, were also present at the press conference.

GP reiterates demand for tax cut on SIM cards

STAFF CORRESPONDENT, Sylhet

GrameenPhone Ltd, the leading cellphone operator, yesterday reiterated its demand for tax cut on SIM cards to boost the growth of mobile phone industry.

Tk 900 tax on SIM cards has slowed down the growth of mobile phone subscription growth in the country, Managing Director and Chief Executive Officer of GrameenPhone Erik Aas told a press briefing at a hotel in Sylhet.

"If the government reduces the tax the market will see a major change in terms of growth," Aas said. Syed Yamin Bakht, general manager (Information), and Aulad Hossain, regional head of the company, also spoke at the function.

The GP officials were on an official visit to the divisional city.

"By the end this year there will be some 90 lakh customers in the country. But the number could have been 1.2 crore had there been no tax on the SIM cards," said Aas.

BA to spend £100m on business class overhaul

British Airways (BA) is set to invest £100 million in a major overhaul of its long-haul business class, which the airline's Chief Executive Officer Willie Walsh claims will be the "best in the air".

The changes will be introduced from mid-2006, says a press release.

The multi-million pound investment will be built on the success of the airline's existing Club World flat bed -- the industry's first completely flat bed in business class -- and will set new standard for the business travellers.

The airline will revamp all aspects of the journey -- both on the ground and in the air -- and will also make a major upgrade to its in-flight entertainment system in all four cabins, also to be introduced from summer 2006.

Martin George, British Airways' commercial director, said British Airways revolutionised the aviation world when it pioneered the very first flat bed in business class in 2000.

Willie Walsh said this is the first major product investment British Airways has made in five years, in part, because of the success of its strategy to reduce costs during recent years.

Remittance cuts poverty 6pc in Bangladesh

Says WB annual GEP report

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Remittance inflow has helped Bangladesh cut its poverty by six percent, according to the World Bank's annual 'Global Economic Prospects' (GEP) report for 2006.

"Remittances have association with significant declines in poverty in several low-income countries including six percent in Bangladesh, 11 percent in Uganda and five percent in Ghana," the report said.

In addition, remittances appear to help households maintain their consumption levels in the face of economic shocks and adversity. Remittances are also associated with increased household, investments in education and health, as well as bolstered entrepreneurship. These conclusions are borne out by findings of a recent World Bank research study on 'International Migration, Remittances and the Brain Drain'.

But the fees charged by remittance service providers are often as high as 10 to 15 percent of the remitted amount for small transfers typically made by poor migrants. The GEP report recommends actions to reduce these fees, which are often much higher than the actual cost of carrying out the transactions.

The report says increased competi-

tion in the remittance transfer market would result in lower fees, thereby increasing the disposable income of poor migrants, as well as their incentives to send more money home.

Reducing remittance costs would do more to encourage the use of formal remittance channels than the so-called informal services. While regulation is necessary to curb money laundering and terrorist financing, it must be implemented in a way that does not interfere with the objective of reducing remittance costs.

The South Asia region will receive an estimated \$32 billion in remittances in 2005, a 67 percent increase from 2001. With recorded inflows of \$21.7 billion in 2004, India received the most in remittances in the world, followed by China and Mexico at \$21.3 billion and \$18.1 billion respectively.

Of other South Asian countries, Pakistan received \$3.9 billion and Bangladesh \$3.4 billion. Meanwhile, in Sri Lanka, remittance receipts are larger than tea exports, and in Nepal, remittances account for nearly 12 percent of GDP.

Officially recorded remittances worldwide are estimated to exceed \$232 billion in 2005. Of this, developing countries are expected to receive \$167 billion, more than twice the volume of development aid from all

sources.

The GEP authors suggest that remittances sent through informal channels could add at least 50 percent to the official estimate, making remittances the largest source of external capital in many developing countries.

The report cites experiences of reducing remittance transfer fees in India, the Philippines, and the US-Mexico corridor, as examples for others to follow.

The steady stream of foreign exchange flowed from the remittances can improve a country's creditworthiness for external borrowing, it added.

International migration can generate substantial welfare gains for migrants and their families, as well as their origin and destination countries, if policies to better manage the flow of migrants and facilitate the transfer of remittances are pursued, the GEP reports said.

While encouraging reforms to facilitate an increased flow of remittances, the report opposes efforts by governments to tax remittances and cautions against providing incentives for direct remittances in specific areas or sectors through matching-fund programmes.

3 take over as BGMEA vice presidents

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Three garment makers yesterday took over as vice-presidents of Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

Abdus Salam Murshedi, managing director of Envoy Group, took responsibility as second vice-president of the association while Shahidul Haque Sikder Litu, managing director of Sikder Group, and Shahdat Hossain Chowdhury Arun, chairman of Favourite Garments Ltd, took charge as vice presidents for mid-term tenure, a BGMEA press release said.

Iran Expo starts today

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A four-day exhibition of Iranian products and services starts today at Pan Pacific Sonargaon Hotel in Dhaka.

The show-- Iran Expo 2005-- will play an important role to boost trade between Bangladesh and Iran, said Iranian envoy in Dhaka Mohammad Beheshti Monfared at a press briefing on Sunday.

The envoy also said 17 companies will participate in the fair.

Bitumen, glass, textile, engineering products, agricultural equipments, leather goods and carpets will be put on display.

The show will remain open from 10am to 8pm every day.

Emirates' IT wing wins landmark deal in eastern Europe

Mercator, the IT division of the Emirates Group, has scored yet another first by winning its first contract in eastern Europe for its airline passenger revenue accounting solution.

Tarom, the national flag carrier of Romania, has signed up for Mercator's RAPID Passenger revenue accounting system, which analyses the information on air tickets to give airlines the crucial financial and strategic details needed to determine how their business is performing, says a press release.

"RAPID's functionality will give us everything we need to compete effectively and will play a key role in our ambitious growth plans," said Christian Becerescu, general manager of Tarom.

Japan to integrate, privatise state banks

ANN/ THE DAILY YOMIURI

The Japanese government and ruling coalition parties will integrate five of the eight government-affiliated financial institutions, privatise two and transfer operations of one to an organisation to be funded jointly by municipalities, government sources said Sunday.

The five financial institutions to be integrated are the Japan Bank for International Cooperation, Japan Finance Corporation for Small Business, National Life Finance Corporation, Agriculture, Forestry and Fisheries Finance Corporation, and Okinawa Development Finance Corporation.

The proposal for integration is to be finalised at a meeting of the Council on Economic and Fiscal Policy on Nov 29, the sources said.

In a speech delivered in Morioka on Sunday, Liberal Democratic Party

Policy Research Council Chairman Hidenao Nakagawa said Japanese Prime Minister Junichiro Koizumi had said the government-affiliated financial institutions should be integrated into one after reforms. "Integration of the financial institutions will be carried out in line with the policy," he said.

A senior Cabinet Office official also told The Yomiuri Shimbun on Sunday that government is tending toward the establishment a new financial institution.

On Sunday evening, Chief Cabinet Secretary Shinzo Abe, State Minister in Charge of Financial, Economic and Fiscal Policy Kaoru Yosano and Nakagawa were believed to have confirmed the integration at a meeting at a hotel in Tokyo.

The envisioned new financial institution will be mainly in charge of loans to small and mid-size compa-

nies and loans related to imports and exports of resources and energy, the sources said.

Okinawa Development Finance Corporation will be transformed into the Okinawa branch of the new financial institution, but the government may make a political decision to convert it into an independent financial institution to try to mollify Okinawa's strong opposition to the relocation of US military bases on the island, the sources said.

The Development Bank of Japan and Shoko Chukin Bank will be privatised after they map out new ways to procure funds, such as issuing bank bonds, the sources said.

The Japan Finance Corporation for Municipal Enterprises will be abolished before its operations are transferred to an organisation jointly funded by municipalities, the sources said.

Rehab fair kicks off tomorrow

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Real Estate & Housing Association of Bangladesh (Rehab) will organise a five-day fair from tomorrow in Dhaka to promote its business as well as help people buy their apartments and plots from a single spot.

A total of 101 organisations including 94 developers will participate in the fourth version of the fair at Dhaka Sheraton Hotel.

The exposition titled 'Rehab Fair 2005' will remain open to all with a Tk 50 entry ticket for single person. Dhaka City Corporation Mayor Sadeque Hossain Khoka will inaugurate the fair.

On the sidelines of the fair, Rehab will organise three seminars on building construction in association with Euro Builders Project, a joint initiative of Rehab and European Commission.

Ten specialists from Spain and Germany including local experts will attend the seminars, Rehab President Toufiq M Seraj said at a press conference in Dhaka yesterday.

Besides, Rehab has decided to announce 'Rehab Week' from November 22 to 28 as part of its efforts to increase awareness of building construction. Housing and Public Works Minister Mirza Abbas will inaugurate the 'week' with a rally today.

Organisers said the ticket money will be donated to charity. A raffle draw of entry tickets will also be held and 75 prizes including a private car will be given to the winners.

Mahmudul Hasan, Rehab general secretary, Tanvirul Haque, convener of the Fair Committee, among others, were present at the press conference.



Toufiq M Seraj (C), president of Real Estate & Housing Association of Bangladesh (Rehab), speaks at a press conference in Dhaka yesterday to announce the schedule of 'Rehab Fair 2005', beginning tomorrow. Mahmudul Hasan, Rehab general secretary, and Tanvirul Haque, convener of the Fair Committee, were also present at the press conference.



PHOT: STAR

French Ambassador in Dhaka Jacques-Andre Costilhes (2-L) speaks at a press conference in Dhaka yesterday to announce the schedule of 'French Days-2005'. (From left) Dominique Simon, French trade commissioner (Economic Department), Qayyum Khan, president of French-Bangladesh Chamber of Commerce and Industry (CCIFB), Rifat Rashid, director of CCIFB, and Syed Farhad Ahmed, vice-president of CCIFB, are also seen.