

20 ins companies likely to debut early next year

JASIM UDDIN KHAN

Some 20 new insurance companies are likely to make debut by the first quarter of the next year.

Sources at the Ministry of Commerce said office of the Chief Controller of Insurance (CCI) have received 103 applications to start insurance business.

Of the total applications, around 55 applications are seeking permission to start Islamic life insurance companies.

Industry sources said businesspeople having close ties with the ruling BNP may get the licences.

A high official of commerce ministry however denied any political pressure in awarding licences.

"Companies will be selected through a competitive process. Only qualified firms will get approval," he said preferring anonymity.

In line with the plan to allow fresh companies in insurance sector commerce ministry recently directed

the CCI to conduct a survey whether more companies should be allowed.

According to the preliminary assessment of the CCI office, the domestic market has scope for more insurance companies.

At present, two state-owned and 60 private insurance companies are operating in the country. Of the private insurance companies, 43 are engaged in general insurance business and the rest 17 are in life insurance business.

According to industry insiders,

insurance companies are doing good business in domestic market.

Bangladesh Insurance Association Chairman M Shamsul Alam said Bangladesh has tremendous scope for life insurance business.

"If the country gets more national savings through life insurance schemes the overall economy will improve," Alam said welcoming more life insurance companies in the market.

Former WB chief Wolfensohn to rejoin Citigroup

Citigroup announced that James Wolfensohn, former president of World Bank Group, will become an advisor to senior management on global strategy and on international matters and in 2006 will become chairman of the company's International Advisory Board, says a press release.

Wolfensohn, a distinguished leader on global economic issues and sustainable development, is also well known for his extensive corporate advisory work as an investment banker before entering public service.

Wolfensohn is chairman of Wolfensohn & Company, LLC, a corporate advisory and investment firm located in New York.

Born in 1933, Wolfensohn also served in senior roles at Citigroup's two predecessor firms Salomon Brothers in New York and Chairman and Managing Director of Schroders Ltd in London. He has served on the boards of many foundations and socially directed institutions and has been decorated by more than a dozen governments around the world for his public service.

Asian air traffic growth slows on high oil prices

AFP, Singapore

Air traffic growth for Asia-Pacific airlines slowed in October, when they carried 10.9 million international passengers, up 3.6 percent from a year earlier, a regional industry group said Friday.

In September, passenger numbers had risen 5.8 percent and were up 6.0 percent for the first 10 months of the year, the Association of Asia-Pacific Airlines (AAPA) said in a statement.

Asia-Pacific airlines filled 72.7 percent of available seats in October, down two percentage points from last year.

"In October we saw slower growth in travel demand," said AAPA director-general Andrew Herdman.

"The burden of high oil prices is clearly having an impact, both directly in terms of higher fuel bills, and indirectly in the form of slower global economic growth."

Oil prices stayed above 60 US dollars a barrel in October after hitting an all-time high of 70.85 dollars on August 30 after Hurricane Katrina hammered the heart of US oil production in the Gulf of Mexico region.

Prices have since fallen below 60 dollars but analysts are predicting another rally as the northern hemisphere winter drives up demand for heating oil in the United States and Western Europe -- the world's biggest energy consumers.

Cargo traffic measured in freight tonne kilometres increased 2.0 percent in October, with capacity keeping pace by rising 1.9 percent. Airlines filled 69.7 percent of available cargo space, unchanged from a year ago, AAPA said.

AAPA is a trade association of 17 international airlines based in the region.

Another report from Geneva says: The head of the world's top airline

association on Friday blasted French government plans for a tax on air travel to finance aid for poor countries, calling it "political posturing".

"Not only is the French government misguided in understanding the needs of the developing world, it does not even have a grip on what is going on in its own backyard," Giovanni Bisignani, director general of the International Air Transport Association (IATA), said in a statement.

The proposed "solidarity tax" of one to 40 euros (1.2 to 47 dollars) on each ticket was approved by the French cabinet this week.

France's President Jacques Chirac, who has championed the idea in international meetings in recent years, said on Thursday that draft legislation would be put before parliament within weeks.

Australia eyes free trade deal with UAE by mid-2006

AFP, Sydney

Australia said Friday it wants a free trade agreement with the United Arab Emirates (UAE) in place by mid-2006.

Trade Minister Mark Vaile said talks on an agreement, first mooted in March this year, will be held next month on Queensland state's Gold Coast.

Vaile said the UAE was Australia's second largest Middle Eastern market after Saudi Arabia, taking 1.3 billion dollars (955 million US) of Australian exports a year.

He said a free trade deal would provide major opportunities for Australian businesses.

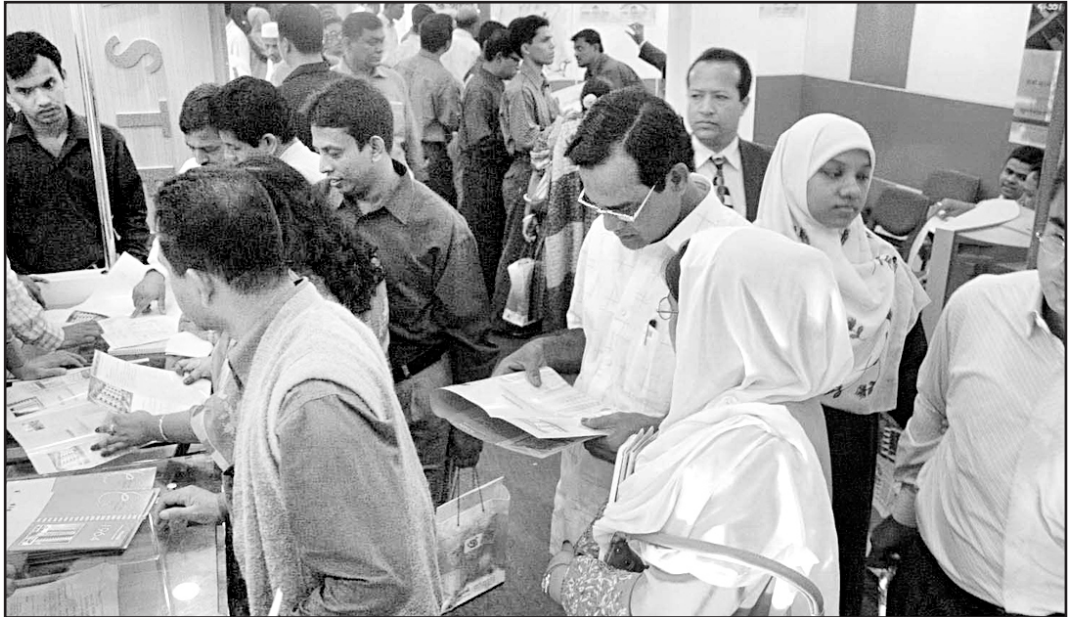


PHOTO: STAR

Visitors enquire about latest housing projects at a stall at the 'Rehab Fair-2005' in Dhaka Sheraton hotel yesterday.

REHAB HOUSING FAIR 2005

Developers expanding to other cities

STAR BUSINESS REPORT

With the real estate business growing rapidly, developers now are expanding to other cities to meet the increasing housing demand.

After getting huge response in the capital city, some leading developers have taken up plot and apartment projects in Sylhet, Chittagong, Pabna and Barisal.

Developers at the 'Rehab Fair-2005,' yesterday said the demand for housing outside Dhaka is also increasing day by day.

Many who work in Dhaka but want to buy an apartment or a plot in their district headquarters.

As land is limited, real estate companies should expand their services to outside the capital, said Habibur Rahman, businessman who hails from Narsingdi district. "I have a plan to buy a house in Narsingdi."

"Dhaka is becoming a polluted city. So, my plan is to buy an apartment in

Chittagong, my district headquarters," said Ahmed Rashid, a restaurant owner.

Multiplan Ltd now offers three projects -- 'Syed Plaza', 'Hizal' and 'Tamal' -- under its 'Multiplan Shahjalal City' in Sylhet.

Syed Hasan Imam, an executive officer of Multiplan Ltd, said, "We are getting huge response especially from non-resident Bangladeshis. Apartments measuring between 1,780 sqf and 2,417 sqf are in great demand in Sylhet."

"In future, we will take up projects in other district headquarters too," he added.

Latif Real Estate Ltd has taken up more than four housing projects offering 2.5 to 7 katha plots at Mansurabad in Pabna.

Quadrat-E-Khuda, an executive of the company, said his company is also going to launch two apartment projects at Mansurabad soon.

Building Technology and Ideas Ltd has launched four apartment projects - two at Nasirabad and one each at Khulshi and Panchlaish in Chittagong.

In the projects, the company offers 1,000 sft to 1,500 sqf apartments, said Kamal Haider Bhuiyan, sales executive of the company.

Keari Limited offers 842 sqf to 1,687 sqf ready apartments on College Road in Chittagong.

Rangs Properties has two apartment projects at Khulshi and on Zakir Hossain Road in Chittagong offering 2,000 sqf-3,000 sqf flats.

The mega housing fair witnessed a large number of visitors at Dhaka Sheraton Hotel yesterday, the weekly holiday.

Many people, especially mid-income group, enquire about latest projects of the developers.

The fair will remain open from 9 am to 9pm everyday until November 28.

DSE to launch investors' awareness programme

BDNEWS, Dhaka

The Dhaka Stock Exchange (DSE) will organise investors' awareness programmes in different parts of the country to encourage more participation of general public in the capital market.

"Our investor awareness drive will start from Dhaka on December 12 and it will continue," DSE Chief Executive Officer Salah Uddin Ahmed Khan, said.

He said the DSE will subsequently hold training programmes in Chittagong, Comilla and Rajshahi. A programme will also be organised in Rangpur, he added.

The CEO said the DSE has a plan to organise such a programme in Khulna also. "But arrangement might be tough as the DSE has no authorised representative/broker in the region," he said.

Salahuddin said people will be given ideas on capital market related rules, regulations and its practices so that they can participate in market dealings.

"The training programmes has been designed so that general investors can take their investment decision," he said.

The Vanik Bangladesh Securities Ltd, the Equity Partners Securities Ltd (EPSL) and the Globe Securities Ltd will co-host the programme.

GP customer centres now open everyday

The GrameenPhone customer centres will remain open every day even on all public holidays.

This will make GP's after-sales services more available for the subscribers, says a press release.

At the same time, the working hour of the GP customer centres has also been extended from 8am to 8pm everyday.

The GP customer centres are providing after-sales services like SIM replacement, reconnection, migration, address change, itemized billing, unbarring/payment information and information about GP products, features and services.

GrameenPhone presently has eight customer centres across the country. Among them, four centres are in Dhaka -- Gulshan, Motijheel, Dhanmondi and Uttara.

The remaining four are located in Chittagong, Khulna, Rajshahi and Sylhet.

In addition, GrameenPhone has also established 152 service desks in 50 districts around the country which also provide after-sales services.

These GPSDs are located at some of the existing GP points of sales and are open from 10am to 6pm from Sunday to Thursday.

Thai RMG export may drop

AFP, Bangkok

Thai garment exports this year could be flat or even drop as the industry struggles with the fallout from the end earlier this year of a global textile quota system, an industry group said Friday.

However, the industry also expects to get a boost if the government completes a free trade agreement (FTA) with the United States next year which could spark a 50 percent increase, said Tienchai Mahasiri, president of the Thai Garment Manufacturers Association.

In 2004, garment exports rose 12 percent to 3.3 billion dollars and the government had set a growth target of

17 percent for this year.

However, in the first 10 months of 2005, exports have grown only 2.25 percent to 2.8 billion dollars, Tienchai said.

"The impressive export growth target set by the government is not realistic.

"In the current circumstances (with the ending of quotas), which is a new chapter for the industry, it would be good (if we even) maintain exports" at the same level as last year, he said.

The global textile quota system that ended in January has forced international manufacturers to consolidate their production globally, he said.

Thailand has suffered because of

its relatively high costs and shortage of qualified workforce compared to others such as China, Tienchai added.

Many categories of Thai-made garments have been hit hard by cheaper Chinese goods in the first half of this year, he said.

But Tienchai said an FTA with the United States could remove tariffs on Thai garments sold in the United States, which currently imposes duties of 12-30 percent. The free-trade pact is expected to be signed by June next year.

While the US market has not expanded substantially, it accounts for as much as 52 percent of Thailand's overall garment exports, Tienchai said.