

WTO blasted for doing rich nations a 'favour'

Speakers at consultation propose formation of 'People's Commission'

STAR BUSINESS REPORT

Speakers at a consultation yesterday blasted the World Trade Organisation (WTO) for favouring the rich nations who are protecting their interests through WTO.

The developed countries continued to provide subsidy for their agriculture sector, which could be another subtle ground to push the issue at the next ministerial conference beginning on December 13 in Hong Kong, they observed.

They also criticised the government's lack of seriousness in pursuing Bangladesh's interests in the WTO and proposed to form a 'People's Commission' with the representatives from different parts of the society.

Ummayy Onneshan, a centre for research and action on development, organised the consultation titled "Riding on the Road: Options for Bangladesh in the Sixth WTO Ministerial Conference" at the CIRDAP auditorium in Dhaka with Khushi Kabir, Coordinator of Nijera Kori, an NGO, in the chair.

Speaking at the meeting, eminent economist Prof Mozaffar Ahmed said the rich countries have forced the poor nations to abide by their policies in the name of globalisation and stressed the need for democratising the WTO to give poorer countries a strong voice.

He expressed concern over the gradual emergence of the genetically modified foods, which would further marginalise the poor farmers giving away the benefits to the multinational companies. Local negotiators decide their strategy on inputs from donors as well as the businesses linked with the commerce ministry, he said criticising the weak negotiating capacity of Bangladesh.

Prof Muzaffar was also critical about lack of initiative to develop domestic capacity for taking advantage of the trade preferences being offered by the WTO and other trade agreements.

Hasanul Huq Inu of Jatiya Samajtantrik Dal (JSD) said the poor nations like Bangladesh need fair trade not free trade. Since the

present government is serving the interest of their own instead of the people, it does not bother about reading peoples' mind, he added.

"The government approved a poverty reduction strategy paper (PRSP) without consulting it in the parliament and we the opposition parties are in the dark about it," he said.

President of Bangladesh Economic Association (BEA) Qazi Kholiuzzaman Ahmad said that the present WTO policies would not bring about any positive changes for the poor countries. The prescriptions of the millennium development goals (MDGs) would fail to reduce poverty as it has no direction to enhance investment in the poor countries.

Economist Professor MM Akash said the rich nations are pursuing their own goals through WTO and their main motive is profit, not the wellbeing of the poor.

He said although the rich nations are forcing the poor countries to open their markets, they (rich countries) themselves protect their

markets through high tariff and non-tariff barriers.

Economist Rashed Al Mahmud Titumir of Dhaka University and team leader of Ummayy Onneshan presented the keynote paper at the meeting on 'WTO and Bangladesh'.

In his presentation, Titumir said the WTO-prescribed system is not a natural force and its rules and regulations are the reflection of political choice.

Referring to a recent statistics, he said that if Africa, East Asia and Latin America could increase their share of exports by just one percent, around 128 million people could be lifted out of poverty.

He said the developing countries that have 98 percent of the total farming population, capture only one third of the world agriculture trade amounting to \$783 billion.

Among others, FBCCI President Mir Nasir Hossain, former commerce secretary Golam Rahman and former commerce secretary Alamgir Faruk Chowdhury took part in the consultation.

Bank fair kicks off in Ctg

OUR CORRESPONDENT, Ctg

In a bid to display banking services to the clients, a three-day bank fair began here in the port city yesterday.

Syed Wahidul Alam MP, BNP whip, inaugurated the fair titled "1st Bank Mela-2005" organised by Scintilla Limited, an event management firm, at Hotel Agrabad.

Three private banks – Brac Bank, Dhaka Bank and Eastern Bank, and leading real estate companies of the port city – Sanmar Properties Ltd, Ideal Home Builders, Equity, Westech Ltd and Imperial Group – are showcasing their products and services at the fair.

Chittagong Chamber of Commerce and Industry (CCCI) President Saifuzzaman Chowdhury and newly elected Senior Vice President of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) SM Abu Tayyab were the special guests at the inaugural ceremony.

Md Harunur Rashid, general manager of Bangladesh Bank, Chittagong, also spoke at the ceremony with Md Shahajahan, Scintilla managing director, in the chair.

While addressing the ceremony Syed Wahidul Alam MP said that the fair would enhance interaction among the banks and their clients and boost banking activities as well as encourage private investment.

CCCI President Saifuzzaman Chowdhury said, the private sector contributed a lot to the economy of the country while private banks are also playing a significant role.

High global demand pushes jute price up

Golden fibre hits Tk 1,000 a maund

MONJUR MAHMUD

Raw jute prices hit as high as Tk 1,000 a maund this year, thanks to growing demand for the golden fibre in the global market and poor production at home.

Raw jute prices ranged between Tk 500 and Tk 550 a maund at the growers' level last year but it surged abnormally to Tk 950 a maund during the off-peak season.

Although it is expected that the price will cool down with the arrival of new harvest, production this year is not enough to meet the demand in local and global markets.

"Demand for jute and jute goods is on the rise in the global market and raw jute price is abnormally high this year hitting as high as Tk 1,000 per maund depending on the quality," Shabbir Yousuf, chairman of Bangladesh Jute Spinners Association (BJSA), said.

The average price was Tk 750 a maund last year, said the BJSA chairman, who was on a visit to Kolkata last week, adding that the raw jute price in the West Bengal was also almost the same.

Farmers got good prices of jute in the last two years, Yousuf said identifying hoarding as one of the main reasons for pushing the prices up.

Farmers who went for jute cultivation have been able to make hefty profits, and considering the overall situation as an opportunity, hoarders became active and it pushed the prices further up.

Niamat Ali, a farmer at Galimpur village in Kotchandpur upazila in Jhenidah, made a handsome profit this year cultivating jute on a small piece of land.

"I found around 18 maunds of jute from a land of one and a half bighas. Cultivating jute is not expensive and I made a profit of Tk 9,000 after bearing all the necessary expenditures," he told this correspondent in the second week of November.

"I sold jute at Tk 700 per maund this year, which was Tk 500 last year," Ali explained.

According to sources, local jute production was 40 lakh bales last year against the total demand for around 50 lakh bales.

"Jute prices ranged between Tk 700 and Tk 900 this year depending on the quality. Local production is less than the actual demand and it is the main reason for such price hike," said Farhad Ahmed Akanda, a leader of Bangladesh Jute Association.

According to sources, exports of raw jute and jute goods are on rise in the global market in the recent years while local jute production did not go up due to poor quality of seeds and less interest of the farmers in cultivating the natural fibre.

The country fetched US\$307 million and \$96 million by exporting jute goods and raw jute in the 2004-05 financial year. During July-September period of the 2005-06 fiscal, jute goods export grew by 14.15 percent and raw jute by 59 percent.

Jute is a neglected sector despite having almost 100 percent local value addition and the farmers fall victims to unstable government policy as they do not get good prices of their produces years after years and are forced to shift to other crops.

US eyes trade deals with Egypt, Peru, S' Korea

REUTERS, Washington

The United States hopes to begin free-trade talks with Egypt, South Korea and Switzerland and wrap up deals with Peru, Panama and possibly Colombia in the near future, the top US trade official said.

"We're not slowing down, and you may see some of those announcements in the next few weeks," US Trade Representative Rob Portman told reporters Thursday at a briefing where he offered a glum view of current efforts to reach a new world trade deal.

Winter vegetables still dearer on supply dearth

BDNEWS, Dhaka

The winter vegetables still remain dearer to the common people although those started coming to the markets nearly two months back.

Although cauliflower, cabbage, turnip, onion-buds, radish, spinach, new potato, bean, tomato and cowpea are quite available in different city markets, the prices of these vegetables remain higher due to low supply.

"We are failing to meet the daily demand for vegetables due to low supply from the hubs," said Abul Kalam of the wholesale vegetables shop, Shah Paran Banijalaya, at Karwan Bazar.

He said, many farmers had to re-cultivate vegetables due to untimely flooding triggered by torrential rains during October last. Besides, fog is also affecting vegetables production.

In the city markets, a medium-sized cauliflower costs between Tk 15 and Tk 20 while a cabbage is also selling at the same price. Bean is selling at Tk 24 to 30 a kg, turnip Tk 28 to Tk 30, tomato Tk 22 to 24, cowpea Tk 28 to Tk 32 and radish at Tk 20 to Tk 24 a kg.

Tiny bundles of spinach and red amaranthus are being sold at Tk 5 each while new potato at Tk 24 a kg.

The prices of some other vegetables, including eggplant, bitter guard, ladies finger also increased compared to the previous week.

However, the price of onion – both imported and local – declined by Tk 3 on an average against last week's price. Local onion is selling at Tk 45 and the imported one at Tk 30.

Ismail Hossain, a retailer at Plassy Bazar, said the prices of vegetables would come down if the supply increases. He said it might take nearly fifteen days more to bridge the prices.

The price of rice remained high as of last week although new rice started arriving in the market. Mintu, a retailer, said the rice prices will decline within one month with new harvest starting in full swing.

StanChart's Amex acquisition-branch opens in Agrabad

Standard Chartered Bank (SCB) has recently opened a new branch in Agrabad commercial area in Chittagong.

CS Sohn, managing director of Youngone Group in Bangladesh, inaugurated the branch, says a press release.

Ahmed Ali Shah, head of Client Relationships, Mahfuzur Rahman, head of Chittagong CR, and other senior officials of the bank were present at the inauguration.

SCB is completing the conversion of American Express (Amex) Bank Ltd (AEBL) branches and cash booth licences to the Standard Chartered brand and technological platform following its recent purchase of AEBL's domestic business and branches in Bangladesh.



CS Sohn, managing director of Youngone Group in Bangladesh, inaugurates a new branch of Standard Chartered Bank in Agrabad commercial area in Chittagong recently. Ahmed Ali Shah, head of Client Relationships of the bank, Mahfuzur Rahman, head of Chittagong CR, and other senior officials of the bank were present at the inauguration.

EU, US say China not applying WTO accords

REUTERS, Geneva

The European Union and the United States said that China was not living up to all the liberalisation commitments it made when it joined the World Trade Organisation (WTO) four years ago.

While acknowledging that Beijing had made progress in applying WTO regulations, they both told a closed-door session that they "still had serious concerns", a WTO spokesman said on Thursday.

In a statement to the WTO's executive General Council, and later made public, the EU highlighted the automobile sector ser-

VICES -- notably banking, telecommunications and construction -- export restrictions on raw materials and intellectual property issues as being amongst its chief worries.

"Enforcement of intellectual property rights in China continues to be ineffective," the US statement said in its statement.

Piracy and other infringements of intellectual property are a long-standing US complaint about Chinese trade policy. "The problems are enormous and require the serious attention of China and other WTO members," the US statement added.

In addition to areas mentioned by

the EU, the United States also questioned China's steel policy and quarantine procedures for farm goods imports.

China, which joined the Geneva-based trade body in late 2001, accepted in its accession treaty to undergo annual reviews of how it was adapting to WTO rules.

The reviews, which will continue until 2009, were agreed because China was let in before it had brought all its domestic legislation into line with WTO practices.

China outlines economic goals for next year

ANN/ CHINA DAILY

Fast, stable and sustainable growth. More competitive domestic enterprises. Boosting rural development to improve the lives of farmers.

These are among the key economic objectives for the new year, according to a central conference which ended in Beijing on Thursday.

The three-day annual meeting, held by the Central Committee of the Communist Party of China and the State Council and attended by President Hu Jintao and Premier Wen Jiabao, set guidelines and major tasks for the economy next year.

The meeting agreed that the country's macro-economic policies would continue to aim for fast and stable growth.

Such a growth mode is impera-

tive for increasing national strength and relieving contradictions in economic and social development, said a statement issued after the meeting.

It said the key lies in increasing domestic demand, sticking to prudent fiscal and monetary policies and improving macro-regulation.

The government will continue to rein in excessive investment in such overheated sectors as steel, cement, aluminium and copper.

"The message from the meeting indicates that the highest leadership is determined to make China's economy develop in a sustainable way," said Lin Yueqin, a researcher with the Economic Research Institute of the Chinese Academy of Social Sciences, a task he described as "challenging."

China's economy, which grew at an average of 9.4 per cent during

the past 26 years, is expected to expand by 9 per cent this year.

Liu Shijin, vice-president of the Development Research Centre of the State Council, forecast that the pace of the economy would slow down to between 8.5 and 9.0 per cent next year.

Emphasis is also placed on sharpening the competitive edge of domestic enterprises.

The statement said it is urgent to accelerate industrial restructuring by using advanced technology to upgrade traditional industries and eliminate outdated productive forces.

Efforts will be intensified to save resources and protect the environment, the statement said.