

Norway to provide \$10m for Bangladesh power sector

BSS, Dhaka

Bangladesh will receive US\$10 million (Tk 65,000 crore) as mixed credit from Norwegian Agency for Development for developing the country's power sector.

An agreement to this effect was signed between the governments of Bangladesh and Norway at a function at the Economic Relations Division (ERD) of the Planning Commission here yesterday.

Joint Chief of ERD Nargis Islam and Norwegian Ambassador in Dhaka Aud Lise Norheim signed the deal on behalf of their respective governments, an official handout said.

The fund will be utilised in establishing three 33/11 KV new sub-stations, for renovation and extension of 12 33/11 KV sub-stations and extension of one 132/33 KV sub-station in 10 district towns of Bangladesh, the handout said.

The specific objectives of this programme are to improve peak load generation capacity to reduce load shedding, introduce competition in the sector, improve network reliability and increase access to electricity services, it added.

Fire damages Indian-side conveyor belt of Lafarge

A fire damaged around 1250 metres of the 17-kilometre conveyor belt on the Indian side of Lafarge Surma Cement Ltd Friday, says a press release.

The cause of the fire could not be known immediately and there was no report of casualty. An investigation is on to determine the cause.

Lafarge Surma Cement Ltd through its hundred percent subsidiary Lafarge Umiam Mining Private Ltd in India undertook the project for mining, crushing and export of limestone and shale from its quarry in Meghalaya to its cement plant at Chhatak in Sunamganj.

The project installations including crusher and the 17-km conveyor belt were complete and load (production) trial started on Wednesday.

Regular Pak-Bangla shipping services needed to boost trade

Local entrepreneurs say

STAR BUSINESS REPORT

Bangladesh's business leaders yesterday at a function stressed the need for regular shipping services between Bangladesh and Pakistan to increase bilateral trade.

"Trade between Bangladesh and Pakistan occasionally suffers due to irregular shipping service between ports of the two countries. To improve the situation we should find ways to increase frequency of shipping services," said FBCCI President Mir Nasir Hossain.

The FBCCI president said the trade potential between the two countries may now be exploited to the maximum extent both under bilateral arrangements and Safta, which takes effect in January next year.

He was addressing a function on relief handover to Pakistani High Commissioner in Dhaka Alamgir

Babar for earthquake affected people in Pakistan.

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) handed over some 5,000 pieces of blankets to the Pakistani high commission.

About the Pakistani entrepreneurs' willingness to relocate some of the textile mills in Pakistan to Bangladesh, Mir Nasir said Bangladesh is currently privatising a number of state-owned jute mills, textile mills and engineering enterprises. "Entrepreneurs of Pakistan with their vast experiences can grab the opportunities," he said.

Babar said implementation of Safta will help the two countries increase trade volume as well as achieve the target of \$ 1 billion trade between the two countries by 2007.

He also called for initiatives from both the governments to accelerate the trade and economic co-

operation between the two countries.

In 2004-05, Pakistan export to Bangladesh was \$ 138 million while export from Bangladesh was only \$ 63 million.

Major import items from Pakistan are cotton and cotton textiles, cereals and fruits, mineral products, machinery and appliances, food and beverages, chemical and allied products and exports to Pakistan from Bangladesh include raw jute, jute goods, tea, betel leaves, jute yarn and twine.

FBCCI directors MA Ruff Chowdhury and Kamran Rahman and Managing Director of Alltex Industries Limited Fahim Uddin Ahmad Arif also spoke at the function.

Medexpo-2005 concludes

STAR BUSINESS REPORT

The third international medical exposition, which received a huge response from professionals and common people, ended in Dhaka Sheraton hotel yesterday.

Participants said they got huge orders during the fair. "We received orders worth Tk 10 million in the three-day fair," said Syed Kayas of Bable Corporation Ltd.

Triune Exhibition and Event Management Services in cooperation with Bangladesh Private Clinic Diagnostic Owners' Association (BPCDOA) organised the fair, 'Medexpo-2005'.

Apart from locals, participants from Thailand, India, Singapore, Germany, the UK, and Malaysia took part in the fair to display medical services and equipment.

At the concluding ceremony, organisers gave certificates to the participants of the event as a mark of their participation.

Bangladesh Oxygen Co (BOC) Ltd was the sponsor of the event while The Daily Star and Channel i were the media partners.

WTO MEET Local NGOs to voice interests of Bangladesh

BDNEWS, Dhaka

Different NGOs and civil society organisations will carry out a series of programmes in Hong Kong during the 6th WTO ministerial slated for December 13-18 to focus on Bangladesh's interests.

Nearly 100 representatives from NGOs and media are going to participate in the event, which the experts believe can change the scenario of the world trade and economy.

Civil society organisations and NGOs, including CPD, Unnayan Onneshan, Action Aid, Campaign for Good Governance, and Oxfam, have taken elaborate programmes to highlight the rights of Bangladesh in the WTO.

The Unnayan Onneshan will organise three roundtables in Hong Kong, which will be participated by the trade experts from across the world.

Rashed Al Mahmud Titumir of Unnayan Onneshan will present keynote papers in the dialogues, which will be attended by the top WTO, and LDC experts from different parts of the world.

Another private think-tank from Bangladesh Centre for Policy Dialogue (CPD) will also arrange a seminar. ActionAid, a UK-based NGO, will arrange a caravan during the meeting.

WTO HONG KONG MINISTERIAL

EU for addressing concerns of LDCs

UNB, Dhaka

The European Union yesterday proposed that the World Trade Organisation (WTO) should agree on its Hong Kong ministerial conference to adopt a package of development measures addressing the legitimate concerns of Bangladesh and other LDCs.

"These measures include the granting by others of duty-and quota-free access for LDC goods and a substantial aid for trade package," the European Commission said in a statement ahead of the 6th WTO ministerial that kicks off Tuesday.

It said the EU has made "substantial and constructive" proposals in all major areas on the Hong Kong agenda, including agriculture, non-agricultural market access and services. "The EU recognises that development is central to this WTO round."

As regards trade package, the statement said, the EC has pledged to provide one billion euros per year in aid for trade.

"This is the key to strengthening the capacity of developing countries to trade," it said, adding that the EU is already giving more trade-related assistance than the rest of the world combined. The EU called upon others to make the same commitment in the WTO conference.

The EC urged all industrialised WTO members to make commitment for providing duty- and quota-free access to all products from all LDCs. "Despite pledges made at various occasions other developed countries have, however, not followed suit."

The EU said the adoption of a package of special and differential treatment proposals to improve the flexibility for LDCs already exist in the WTO and would propose a "Round For Free" for LDCs - no

obligatory tariff cuts or market access offers.

It said work should be intensified on addressing preference erosion while many G90 countries have expressed fears that serious cuts to tariffs would erode the preferential access they currently have to the EU market.

"The EU believes that the solution to this problem lies in reducing tariffs in a way that allows for adjustment for these exporters, and the provision of Aid for Trade assistance to help exporters adapt to the erosion of preferential access," said the statement.

The EU will also argue for an extension of current LDC exemptions from the TRIPS agreement in the WTO ministerial conference.

WTO failure seen costing rich and poor alike

AFP, Hong Kong

If global trade talks in Hong Kong collapse, analysts fear the world risks being drawn into an era of escalating protectionism with major consequences for commerce, the economy and the poor.

At stake is the Doha agreement on tariff and subsidy reductions which would open the world's richest markets to the poorest, particularly in agriculture. Supporters say it would alleviate poverty and help close the wealth gap.

In a worst case scenario, failure at the World Trade Organisation's (WTO) sixth ministerial conference, which opens here Tuesday, would result in the Doha round failing to meet its implementation deadline set for the end of 2006.

British Prime Minister Tony Blair has warned failure in Hong Kong would hurt both Western and developing economies alike, and in particular many African countries.

Asian Development Bank President Haruhiko Kuroda says failure will seriously impact on economic growth in Asia, and WTO chief Pascal Lamy says an impasse will damage the WTO's credibility and make it hard to start fresh negotiations.

None of them want to see a replay of the last ministerial meeting in the resort of Cancun, Mexico in 2003.

That conference broke up in acrimony with the WTO's poorest members claiming they were being short-changed by developed nations who demanded access to their markets for goods and services but offered little in return.

Mindful of a possible repeat, world leaders have recently sought to play down the chances of a major push towards a Doha conclusion in Hong Kong.

Instead, the criteria for success is now being measured through brokering a trade deal to help developing nations.

If such a deal was possible it would require compromise and moderation from all 148 WTO members, with some agreement to allow developing countries access for their agricultural products to the world's richest nations -- the United States, Europe and Japan.

It would also help offset dependency on aid, which has been touted as a possible substitute for poorer nations if they are denied access to the rich markets in the West. It is an approach which has not found favour.

Prime Bank arranges Tk 200cr syndicated loan for Brac

A Tk 200 crore syndicated term loan facility has been ensured for micro credit lending programme of Brac, a leading NGO, under the lead arrangement of Prime Bank Ltd.

An agreement to this effect was signed on Tuesday in Dhaka, says a press release.

Imam Anwar Hossain, chairman of Executive Committee of the Board of Directors of Prime Bank Ltd, was present at the signing ceremony, which was presided over by M Shahjahan Bhuiyan, managing director of the bank.

Officials of Brac, Mercantile Bank Ltd, Standard Bank Ltd, One Bank Ltd, Uttara Bank Ltd, Arab Bangladesh Bank Ltd, Dutch-Bangla Bank Ltd, Export Import Bank of Bangladesh Ltd, Mutual Trust Bank Ltd, National Bank Ltd, National Credit and Commerce Bank Ltd, State Bank of India, The City Bank Ltd, The Trust Bank Ltd, United Commercial Bank Ltd, Bank Alfalah Ltd, Jamuna Bank Ltd and Brac Governing Body signed the agreement on behalf of their respective organisations.



PHOTO: STAR

Women visitors crowd a stall of local sari yesterday, the second day of the month-long 'Dhaka International Trade Fair-2005', at Sher-e-Bangla Nagar fair ground.

China auto exports to challenge world's big car makers

AFP, Shanghai

China's domestic auto market was meant to be a pot of gold for the world's top car makers but export strategies pursued by Chinese companies could soon turn the tables on the multinationals, analysts say.

Growing concerns for international car makers about a potential flood of cheap Chinese cars came last week with official data showing China's vehicle exports exceeded imports for the first time.

Exports reached 135,000 units in the first 10 months of this year, 7,000 more units than were imported.

Although the export market is still in its infancy in China, accounting for some 2.0 percent of the total production, Chinese startups such as Geely, Chery and Jiangling are pursuing aggressive export strate-

gies that aim to challenge global players over the next 20 years.

The Chinese companies currently export vehicles mainly to Africa, the Middle East or Southeast Asia.

But by 2007 Chinese cars are expected to begin selling in the United States, while some are already available in Europe.

Chery shocked markets in January with a deal to sell its passenger cars in the United States, the world's largest market and where the giants -- General Motors, Ford and Chrysler -- are already under siege from Asian competitors led by Toyota of Japan.

Geely, China's largest private auto maker, also announced in September it planned to boost annual output to two million cars by 2015.

Opec to leave output unchanged

REUTERS, Kuwait

Saudi Arabia's oil minister said Sunday he thought Opec would "most probably" leave its production unchanged when it meets on Monday and was in relaxed mood about a possible dip in second quarter demand.

He suggested there was no need for Opec to continue offering up all of its available crude oil to the market. Opec made that offer in September to cool record oil prices, but buyers have shown little interest in taking the mainly Saudi crude.

"Most probably there is no need to do anything to ceiling or

the level of production," Ali al-Naimi told reporters.

"We will do our best to maintain reliable and secure supplies to the market. I have always maintained that prices are determined by the market."

He showed little enthusiasm for renewing Opec's offer to make available all of its two million barrels per day of spare production capacity.

Analysts say such a move would make little difference to buyers who have been reluctant to take in the mostly heavy, sour crude that is difficult to turn into light transport fuels.