



## New country manager of Ericsson

STAR BUSINESS REPORT

Ericsson, a leading global telecommunications solutions provider, yesterday announced Arun Bansal as its new country manager for Bangladesh operations with effect from December 1, 2005.

Bansal succeeds Rafiah Ibrahim who will return to Malaysia to take over as head of Strategy for Ericsson South East Asia and Ericsson Malaysia's deputy country manager.

Prior to joining Ericsson in 1989, Bansal had been working with a Japanese-Indian joint-venture telecommunications company for six years.

"I am confident that Bansal, with his experience and strong track record, will continue to build on the strong foundation laid by his predecessor and strengthen this position further to grow Ericsson's presence in Bangladesh" said Jan Signell, president of Ericsson South East Asia, while announcing the new country manager's appointment at a press conference in Dhaka.

## New MD of IFIC Bank



Mashiur Rahman has been appointed managing director of IFIC Bank Ltd, says a press release.

Prior to this new appointment, he was the deputy managing director of the bank. Rahman started his banking career in 1966 as a trainee in the then National Bank of Pakistan and joined IFIC Bank in 1983.

## Knit Expo '05 begins today

BDNEWS, Dhaka

Country's 2nd Knit Expo 2005, organised by Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), begins today at Dhaka Sheraton Hotel.

Prime Minister Khaleda Zia is scheduled to inaugurate the fair. Finance and Planning Minister M Saifur Rahman and Adviser to commerce ministry Barkat Ullah Bulu will also be present at the function.

About 70 enterprises from Bangladesh, India and Pakistan are participating in the fair, BKMEA officials said. Of these, 45 are knitwear exporters and the remaining are yarn and machinery producers, and communication technology, accessories, printing and chemical traders.

## Bimstec ministers meet in Dhaka Dec 19

UNB, Dhaka

Foreign and trade ministers of seven-member Bimstec are due to arrive here next week to attend the 8th ministerial meeting that would mainly focus on trade, poverty alleviation, terrorism and transnational crimes.

The forum comprising Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand will hold the formal meeting on December 19 at Hotel Sheraton. Prime Minister Khaleda Zia will inaugurate the Bimstec meet.

Bhutanese Trade and Industry Minister Lyonpo Yeshey Zimba, Indian Minister of State for External Affairs E Ahmed, Myanmar Foreign Minister U Nyan Win, Nepalese State Minister for Foreign Affairs Ramesh Nath Pandey, Sri Lankan Foreign Minister Mangala Samaraweera and Thai Foreign Minister Dr Kantathi Suphamongkhon will arrive here on December 18 and hold informal consultations.

# Allow temporary movement of natural persons

## Dhaka urges WTO

UNB, Dhaka

Bangladesh yesterday urged the World Trade Organisation (WTO) to allow temporary movement of natural persons in the developed and developing countries for the interest of Bangladesh and other LDCs.

Commerce Minister Altaf Hossain Choudhury conveyed the demand during a meeting with WTO Director General Pascal Lamy at Grand Hyatt Hotel in Hong Kong, a day before the start of WTO Ministerial Conference.

Discussions on the issue were fruitful, according to a message received here yesterday afternoon.

The commerce minister also had talks with Commonwealth Secretary General Donald C McKinnon at the same hotel focusing on the issue

and received positive response. Altaf and McKinnon also had talks on other issues to be discussed in the WTO conference.

The latest text the WTO drafted for negotiations in the 6-day meet, however, mentioned that members shall implement the LDC modalities and give priority to the sectors and modes of supply of export interest to LDCs, particularly with regard to movement of service providers under Mode 4 in the services negotiation.

Before leaving for Hong Kong Sunday, the commerce minister felt that the demand might not be implemented right at the sixth session of the ministerial conference, but expected a leap forward so that it could be implemented in near future.

Altaf also met separately with

Hong Kong Trade Minister John Tsung, Pakistan Commerce Minister Humayun Akhter Chowdhury and Zambian Trade and Industry Minister Dipak KA Patel, who is also the LDC coordinator in the conference, discussing the trade issues likely to dominate in the ministerial.

Besides, he attended the consultative meeting of LDCs at the Hong Kong Convention and Exhibition Centre to review the preparations and strategy of the common position of the least developed countries (LDCs) in the WTO.

Altaf also attended a consultative meeting of the OIC commerce ministers at Kowloon Shangrilla Hotel in Hong Kong.

# Call for blending micro credit with financial edn

## Financial Education Summit 2005 begins in KL

MONJUR MAHMUD, from KL

The Financial Education Summit 2005 began in Kuala Lumpur yesterday with a call for integrating micro credit programmes with financial education to help expedite poverty reduction in Asia Pacific.

More than 250 delegates from 30 countries are participating in the two-day summit jointly organised by Citigroup and INSEAD at Prince Hotel with representatives from private, government, academic and non-government organisations (NGOs).

Speaking at the inaugural session, Donald J Johnson, secretary general of Organisation for Economic Cooperation and Development (OECD), said good financial education can provide individuals with good life-long skills and habits to enable them to work sensibly in financial markets.

Ashok Vaswani, Citigroup CEO for Consumer Banking in Asia Pacific, said it is imperative that corporations, policy makers, practitioners and advocates collaborate

closely to enhance the economic well-being of individuals, across all age groups, backgrounds and income levels.

"This financial education summit underscores our commitment to financial education regionally and globally," he added.

The Citigroup Foundation focuses its grants primarily on three areas: financial education, educating the next generation, and building communities and entrepreneurs, Vaswani explained.

Later, at the panel discussion on 'Increasing Financial Literacy in Low Literacy Communities', Dr Mostaq Ahmed, a micro finance specialist, explained how micro finance is playing a key role in poverty reduction in Bangladesh.

"The day we start micro finance, we start micro finance education," he said.

Bangladesh has started integrating micro credit with financial education much earlier, which is one of the reasons for making micro credit programmes successful in Bangladesh, said Mostaq, who is

also the director of Training and Technical Support of Paris-based Planet Finance and a former top executive of one of leading Bangladeshi NGOs.

In fact, integrating micro finance with financial education can build social capital more successfully and minimise risk, he said adding that women borrowers are playing the key roles in the micro credit programmes in Bangladesh.

Bangladesh is now trying to develop human resources to train officers for the NGOs so that these organisations can integrate micro credit programmes with financial education more successfully, Mostaq said.

INSEAD is widely recognised among the world's top-tier business schools as one of the most innovative and influential one. It is the only business school with full-fledged campuses in Asia and Europe.

## Bourses witness sharp rise

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Bourses witnessed a sharp rise in indices yesterday following declines in the last few days.

Dhaka Stock Exchange (DSE) General Index witnessed a 25.74-point rise while Chittagong Stock Exchange (CSE) All Share Price Index marked a 54.22-point rise.

Earlier, in most of the days of last week and the first day of this week bear dominated the country's two bourses, as prices slipped sharply mainly due to ongoing militant activities and political uncertainties that eroded investors' confidence.

"Trade in the capital market picked up as the last few days did not witness any major militant activities," said a DSE member.

Usually, any kind of terror attacks scare local and foreign investors, he added.

DSE General Index rose by 25.74 points or 1.59 percent to close at 1642.46 points on Monday from 1616.77 points on Sunday, the previous trading day.

DSE-20 Index also marked 17.65 points or 1.13 percent closing at 1576.43 from 1550.82 points on Sunday.

A total of 163 issues were traded yesterday. Of them, 105 gained, 32 declined and 26 remained unchanged. Some 14,06,713 shares and debentures worth Tk 18.33 crore changed hands on Monday.

On the other hand, trading on CSE closed higher yesterday with the gainers dominating the losers.

The CSE All Share Price Index increased by 1.65 percent to close at 3324.77 points from 3270.55 points on Sunday.

The CSE-30 Index also rose by 1.84 percent to close at 3061.74 points from 3006.35 points on the previous trading day.

A total of 61 issues were traded yesterday. Of them, 45 gained, 14 declined and two remained unchanged. Some 11,76,383 shares and debentures worth Tk 5.45 crore changed hands.

## WTO majority to prevail in upcoming talks: Lamy

AFP, Hong Kong

WTO Director General Pascal Lamy said Monday developing nations will succeed in gaining concessions on agriculture because they form a majority in the global trade organisation.

He told an international trade union conference that negotiations would be painful and difficult but they would result in substantial progress on agriculture.

"This is a complex-making (negotiation), it's a painful-making (negotiation) but it will result at the end of the negotiation in progress, substantial progress, which developing countries are looking for," he said.

"And you can rely on the fact that, with two-thirds of the members being developing countries, a consensus will not happen without something serious in this direction," he said.

The conference called "the global progressive forum" brought together international trade unionists on the eve of crucial WTO talks in Hong Kong on trade liberalisation.

## C'wealth official pushes EU for bigger cuts in farm subsidies

AP, Hong Kong

A top Commonwealth official said Monday the European Union must agree to greater cuts in farm subsidies and tariffs to make this week's World Trade Organization meeting a success.

Commonwealth Secretary-General Don McKinnon said he expected wealthy countries to concede more because poorer nations didn't benefit much from previous trade negotiations.

"They were promised a lot from this round. So far, not a lot is coming," McKinnon told The Associated Press as trade ministers from 52 commonwealth countries met on the eve of the Dec. 13-18 meeting to discuss strategy.

The current "Doha round" of WTO talks was launched in 2001 in Qatar to pay particular attention to developing nations. But progress has been slow, mainly because of differences over agricultural trade.



PHOTO: AFP

A protester paints effigies of world leaders yesterday at the rally point for anti-World Trade Organisation (WTO) demonstrations on the eve of the sixth WTO Ministerial Conference in Hong Kong. Hong Kong police said they were mounting their biggest ever operation as some 10,000 protesters began flooding into the city for the sixth WTO ministerial summit, which opens today and wraps up on December 18.

# A look at WTO meet in HK

AP, Undated

WHAT: Founded in 1995 and based in Geneva, the World Trade Organization creates the laws that govern international trade between its members and helps them settle trade disputes. The WTO's main goal is to promote free trade, which it says brings economic prosperity.

WHO: Trade ministers and other officials from 149 member nations.

It will be attended by 6,000 delegates, 2,000 nongovernment organization members and 3,000 journalists. Some 10,000 protesters are expected on the streets.

WHEN: The sixth ministerial meeting runs from Dec. 13-18.

WHERE: Hong Kong, one of

Asia's key financial centers. The meeting will be in the Hong Kong Convention and Exhibition Center, built for the ceremony marking the British colony's return to Chinese rule in 1997. The center is in Wanchai, a neighborhood of business and government offices mixed with markets, bars and nightclubs.

WHY: The summit was originally intended to deliver an outline for a binding treaty addressing agriculture, manufacturing and services that would to conclude the so-called "Doha Round" of trade liberalization negotiations that started in Qatar's capital in 2001.

But that goal now looks unlikely due largely to an impasse over farm trade.

Developing nations and major agricultural exporters like Australia

and New Zealand want to see big cuts in U.S. and EU farm subsidies and import tariffs. But Washington and Brussels want others to reduce their tariffs on manufactured goods and to open up service industries to international competition.

The Doha Round is well behind schedule. Originally the aim was to conclude a treaty by 2004, but now members hope to do so by the end of 2006, before the U.S. "fast-track" approval process expires in mid-2007. Without that measure, which permits Congress only to approve or reject, without amendments, trade deals, it will likely be much more difficult to get U.S. approval.

# GDP to grow 6.3 to 6.8pc this fiscal, forecasts BB

STAR BUSINESS REPORT

Bangladesh Bank forecast a 6.3 to 6.8 percent GDP growth in the current fiscal year banking mainly on the strong agricultural growth.

Last year the GDP growth was 5.8 percent.

However, the central bank suggested further tightening of monetary and fiscal policies to ease the inflationary pressure.

The recently established Policy Analysis Unit at the central bank yesterday released its first Monetary Policy Review (MPR) where it made the predictions. The unit will make this review in every April and October.

The growth forecast was made

on the basis of strong consumer demand, agricultural growth, stable industrial growth, robust service sector growth and the steady growth of remittances.

The central bank recommended further monetary measures and additional co-ordination of the fiscal stance "as may be warranted by developments in the monetary and the real sectors of the economy in view of the persistent inflationary pressure."

The overall goal of the monetary measures will be to contain inflationary expectations, maintain currency stability and ensure smooth credit flows to the growth points in the productive sectors of the economy in support of the targeted real

growth.

On its inflation outlook, the BB review said: "There is the spectre of rising real interest rate in the global economy (led by the US) and associated increase in the inflationary expectations in the industrial countries that are the source of most of Bangladesh's imports."

"In the domestic scene, the possibility of another round of upward revision in the set of administered energy tariffs cannot be ruled out," it added.

However, in view of the bumper aman harvest and provided that a tightened monetary policy stance is maintained, the average inflation in FY 06 is unlikely to exceed 7 percent, the review pointed out.



PHOTO: BEI

Bangladesh Enterprise Institute (BEI) and Department for International Development (DFID) jointly organised a discussion on Sunday in Dhaka. Hilary Benn, the visiting British secretary of state for international development, presented a paper on 'Making Globalisation work for Bangladesh' at the meeting.

# UK to help Bangladesh achieve MDGs

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Hilary Benn, the visiting British secretary of state for International Development, said on Sunday the UK's main aim in Bangladesh is to support democracy and help Bangladesh achieve the millennium development goals (MDGs).

Presenting a paper on "Making Globalisation work for Bangladesh", the British state minister appreciated Bangladesh's various success indicators in social sectors, achieving some MDGs and country's better performance in many sectors than that of neighbouring countries, according to a press release.

Jointly organised by the Bangladesh Enterprise Institute (BEI) and the Department for International Development (DFID), the discussion was chaired by BEI

President Farooq Sobhan.

Referring to the existing closer relations between the two countries, Benn disclosed that the UK government has agreed to provide up to £40 million to help Bangladesh achieve a better investment climate. "We are working closely with our development partners, the World Bank, Asian Development Bank, Japan, EU and Canada on this. We will assist in the development of special economic zones, in which domestic and foreign firms will get a better investment climate," Benn added.

Mahmudur Rahman, energy ministry adviser and executive chairman of Board of Investment, Dr Kamaluddin Siddiqui, principal secretary to the prime minister, Syed Manzur Elahi, chairman of Bangladesh Association of Banks

(BAB), and Dr Debapriya Bhattacharya, executive director of Centre for Policy Dialogue (CPD), also took part in the discussion as designated discussants.

Rokia A Rahman, former advisor to a caretaker government, and Barrister Nihad Kabir also participated in the discussion.

Earlier in his opening remark, British High Commissioner to Bangladesh Anwar Choudhury hoped that the existing friendly relations between the two countries would be further strengthened through expansion of trade and investment.

The discussion was also attended by a large number of trade representatives, chamber leaders, high officials, retired bureaucrats, bankers and chief executive officers of multinational companies.