

# Give Bangladesh RMG free access to US

FM urges Washington as US Trade Show 2006 opens

## STAR BUSINESS REPORT

Foreign Minister M Morshed Khan yesterday urged the US to provide Bangladesh's some of the readymade garment products with duty-free access to its market.

"In view of WTO ministerial in Hong Kong, it is of paramount importance for Bangladesh to get at least some of her readymade garment products included on the list of 97 percent items that will be allowed duty-free access to US," the foreign minister said.

The minister was addressing the inaugural session of the 15th US Trade Show 2006 at Dhaka Sheraton Hotel. Judith A. Chammas, US charge d'affaires to Bangladesh, Andrew L. Fawthrop, president of American Chamber of

Commerce in Bangladesh, were also present at the function.

"We all hope that", the minister went on, "considering the huge and positive social impacts, the US administration will extend greater cooperation in this regard".

"We believe that our friends in the US Congress will respond favorably with regard to the passage of the Tariff Relief Assistance for Developing Economies (TRADE) bill 2005," he told the show, scheduled to end on Friday.

Khan said the passage of the bill will allow Bangladesh to consolidate its competitive position with the establishment of increasing number of backward-linkage industries.

The minister also lauded the investment environment in the

country.

He also said during the last three years, net annual FDI inflow into Bangladesh increased by 34 percent.

Speaking at the inaugural programme, US Charge d'affairs said the trade show is a reflection of strong bilateral relation between the two nations.

In last fiscal year, Bangladesh exported goods worth US \$ 2.5 billion while it imported, at the same time, items worth US \$ 3 million, Chammas said. She also hoped that through this trade show people will be able to know about the quality of US products.

Political consensus is required at national, regional and union levels to harness the power of Bangladesh's entrepreneurs and

workers, AmCham president said at the function.

He also said the nation should say good-bye to hartal to build a solid economic base.

A total of 75 companies and their local distributors are showcasing products through 127 stalls at the trade show. The show is open to all from 10am to 8pm everyday with a Tk 20 entry ticket.

Agricultural machinery makers, beverage companies, educational institutions, financial organisations, seed producers, utility services, electronic and IT companies are among the firms who are taking part in the fair.

The trade show is jointly organised by the American Chamber of Commerce in Bangladesh and United States Embassy in Dhaka.

## Dollar reaches Tk 69.75 for LC opening

### STAR BUSINESS REPORT

Dollar prices reached highest Tk 69.75 in case of opening Letter of Credit (L/C) for import yesterday, up by 0.20 from the previous day due to acute dollar crisis.

The dollar price on Tuesday was highest Tk 69.55 in case of opening LCs.

Dollar prices also rose in the inter-bank foreign exchange market yesterday and sold at Tk 66.85, which was Tk 66.80 the previous day.

## S Korea, India aim to sign FTA by 2007

VNA, Seoul

S Korea and India announced on Tuesday the start of negotiations aimed at signing a free trade deal by the end of next year.

Yonhap news agency quoted a statement from the Ministry of Foreign Affairs and Trade as saying that S Korea President Roh Moo-Hyun and visiting Indian President Abdul Kalam agreed to begin specific negotiations on the trade pact during a summit earlier that day.

S Korea and India will begin the first round of free trade talks in March in India's capital New Delhi, the ministry said.

After the summit, Korea Trade Minister Kim Hyun-jong and Indian Rural Development Minister Radhuvansh Prasad Singh made a joint announcement on the start of a Comprehensive Economic Partnership Agreement (CEPA).

The same day, the two sides also inked an agreement on science and technology envisaging exchanges of scientists and technologists, joint research, and harmonisation of customs procedures to facilitate trade and crack down on economic crimes.

## 'Economic zones key to developing private sector'

BDNEWS, Dhaka

Energy Ministry Adviser Mahmudur Rahman Tuesday stressed the need for strategic development of economic zones in Bangladesh to expedite growth and development of the private sector.

Rahman, who is also the executive chairman of the Board of Investment, highlighted the improvement of economic zones and the reduction of administrative barriers as two different methods to help drive private sector development.

The Bol executive chairman was speaking at the inaugural session of a workshop on "Enhancing Economic Zones and Reducing Administrative Barriers," organised jointly by the Board of Investment, the South Asia Enterprise Development Facility (SEDF) and FIAS.

Rahman said it was necessary to continually upgrade both the physical and governance aspects of Bangladesh's investment climate and the government was determined to strengthen the country's existing economic zones and commerce planning for a special economic zone.



A joint meeting of Metropolitan Chamber of Commerce and Industry (MCCI) and Bangladesh Association of Publicly Listed Companies (BAPLC) with the chairman of Securities and Exchange Commission (SEC) was held yesterday at the SEC office in Dhaka. Jointly led by Latifur Rahman and Samson H Chowdhury, the delegates included, among others, Syed Manzur Elahi, BAPLC vice president, and AKM Rafique Islam, MCCI vice president.

## Ericsson to set up full-fledged company in Bangladesh

### STAR BUSINESS REPORT

Swedish telecoms equipment major Ericsson yesterday announced establishment of a full-fledged company in Bangladesh with a commitment to invest more in the country.

With the name LM Ericsson Bangladesh Ltd (Ericsson Bangladesh), officials said, the company will recruit local human resources and within six months the telecoms giant will double its workforce from 160 to 320.

Ericsson has been conducting its activities in Bangladesh through a branch office since 1997.

The officials said with the incorporation of the company, Ericsson will be able to support its customers

in a more efficient and cost-effective way.

"I am proud of this significant milestone for Ericsson in Bangladesh. Over the past few years, we have witnessed phenomenal growth in the country's telecommunications industry and we are confident that this trend will continue," Karl-Henrik Sundstrom, executive vice president and chief financial officer of Ericsson, told a press conference in Dhaka.

Addressing the press conference, Arun Bansal, country manager of Ericsson Bangladesh, said partnership with local telecoms companies will also be enhanced towards the development of Bangladeshi telecoms industry.

Ericsson is one of the largest telecoms equipment producers in the world. In 2005, Ericsson's net sales stood at \$ 20.2 billion and at the same time the company made a net profit \$ 4.4 billion.

## New Product



### Eskayef launches Losectil powder for oral suspension

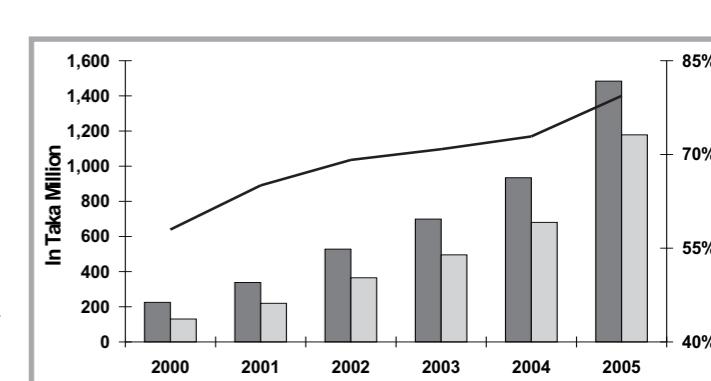
Eskayef Bangladesh Ltd, one of the leading pharmaceutical companies, has launched omeprazole (Losectil) powder for oral suspension in 20mg and 40mg sachets for the first time in the country.

The unique immediate release

Losectil powder for oral suspension, the new member of Losectil family, contains a built-in buffer of sodium bicarbonate resulting in prompt relief from gastric hyperacidity-related symptoms, says a press release.

The dose of Losectil powder for oral suspension is one sachet of 20mg or 40mg once a day or as directed by physicians.

Losectil, the highest selling proton pump inhibitor brand in Bangladesh, is also available in 10mg, 20mg and 40mg capsule forms.



that no other banking institution can match."

Citibank Chief Executive Officer Mamun Rashid said, "An efficient bank does not need many branches to make profit, it only needs a good business plan, superior products and skilful people to offer those services and products to the right kinds of clients."

With only three branches, two in

Dhaka and one in Chittagong, the bank has managed to achieve this significant revenue growth mainly based on its innovative treasury and customer-friendly transaction services and by introducing newer products to the market under highly competitive and challenging conditions.

"In our client base, we have

many of the top global

clients who are extremely savvy. They are highly demanding new ideas and products. That is why our emphasis is on continuous innovation with qualified and committed resources," said Citigroup Country Treasurer Bashir M Tareq. "The top tier local corporates are also moving faster to catch up," he added.

Khondoker Rashed Maqsood,

head of Citigroup Global

Transaction Services, mentioned,

"Our clients continuously require

customised solutions at competitive prices. When these are combined, banks need continuous innovation to survive. And Citigroup is at the forefront of these activities with

a more integrated set of products and services, yet a more simplified experience."

Only business and profit generation cannot be a yard-stick of an organisation's success, especially in the context of a nation like Bangladesh, he said adding that Citibank has been continuously playing its role in that. Citibank has engaged in a plethora of social activities to emancipate women, increase interest in book reading, stand by the victims of the atrocious acid attacks and contribute to preservation of culture through the Liberation War Museum. The bank along with Grameen Trust has also launched a programme titled 'Project Dignity' to reach the fruits of micro-credit to the beggars and also supported the creation of the first-ever Asian University for Women in Chittagong.

Last year Citigroup introduced the Global Microentrepreneurship Awards (GMA) programme in Bangladesh, recognising the several unsung heroes of the country. Shamima Khatun, one of the GMA winners, had attended the closing ceremony of the International Year of Microcredit at the UN Headquarters in the USA.

In future, the bank plans to explore opportunities in the areas of small and medium enterprises and capital market, Rashid said.



PHOTO: STAR  
Foreign Minister M Morshed Khan (2-R) and Chargé d'affaires of US embassy to Bangladesh Judith A Chammas (2-L) inaugurate the 15th 'US Trade Show 2006' at Dhaka Sheraton Hotel yesterday. President of American Chamber of Commerce in Bangladesh Andrew L Fawthrop (R), among others, was present.

## Indian non-tariff barriers impede regional trade

Economists, trade experts tell BEI seminar

### STAR BUSINESS REPORT

Economists and trade experts at a seminar yesterday strongly blamed Indian bureaucracy for discouraging trade in the region, saying the country is using non-tariff barriers to discourage exports from other nations.

To long sensitive list is one of the major barriers to effectively implementing the agreement of South Asian Free Trade Area (Safta), they observed.

Bangladesh Enterprise Institute (BEI) organised the seminar on 'SAFTA: Opportunities and Challenges' as a follow-up of research and regional consultations sponsored by USAID. BEI President Farooq Sobhan moderated the seminar in Dhaka.

Prof Rehman Sobhan, chairman of Centre for Policy Dialogue (CPD), said trucks loaded with goods are waiting for weeks and there are 'mafias' waiting on the borders in the name of bureaucracy.

The first exercise needs to be taken to calculate the cost and benefits of eliminating negative list, Rehman said terming the negative list a 'nonsensical' one.

Responding to the speakers, DN

the bottlenecks in increasing trade in the region.

Sayed Alamgir Farrouk Chowdhury, former commerce secretary, said all the countries in the region, with the exception of Bhutan and Nepal, continued to develop under a very protective regime of import substitution.

Types of goods exported by the members are similar, which means they are competitors in the export market, the market also being the same, the EU and US, Chowdhury went.

Prof Mustafizur Rahman, research director of the CPD, said there are issues in Safta deal that go beyond trade and there are lots of opportunities for closer cooperation within South Asia.

Anisul Huq, former president of Bangladesh Garment Manufacturers and Exporters Association (BGMEA), said although India is very competitive and it can beat anyone if it wants, there is a possibility of increasing trade there.

Roufina Taufiq Shah, commercial secretary of Pakistan High Commission in Dhaka, noted there are lots of para-tariffs in Bangladesh that are encouraging smuggling.

## Treasury, transaction services help Citibank post 73pc growth in operating profit

### SARWAR A CHOWDHURY

When majority of the private commercial banks primarily focus on loan disbursement for making profits, a leading foreign commercial bank, Citibank NA, has been successful in significantly increasing its profits from non-loan based revenue sources.

Last year, three-fourth of the total estimated operating profit of Citibank Bangladesh, the local branch of US banking giant Citigroup, came from treasury and especially transaction services while the rest one-third profit was made from lending business, officials said.

For the year 2005, the bank's estimated operating profit before tax stood at Tk 1,173 billion, registering a 73 percent growth over the previous year's profit before tax of Tk 700.87 million.

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"In our client base, we have many of the top global clientele who are extremely savvy. They are highly demanding new ideas and products. That is why our emphasis is on continuous innovation with qualified and committed resources," said Citigroup Country Treasurer Bashir M Tareq. "The top tier local corporates are also moving faster to catch up," he added.

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Khondoker Rashed Maqsood, head of Citigroup Global Transaction Services, mentioned, "Given that our country has huge potential, Citibank considers itself as a conduit for transfer of world-class banking services to our homeland. We are already exploring the possibility of expanding our distribution capabilities and working for providing our customers with