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China top import source for Bangladesh

Beats India for the first time

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China has emerged as number one import source for Bangladesh, beating India for the first time.

Bangladeshi import from China amounted to Tk 3,214 crore during July-September period of the current fiscal against Tk 2,708 crore import from India during the same period, according to the statistics of Chief Controller of Import and Export (CCIF).

Textile fabrics, capital machinery and dyeing chemicals are some of the major items that helped China become the top source of Bangladesh's import in the first three months of the 2005-06 fiscal.

"China is set to dominate Bangladesh market as the importers here are shifting from India," said a top commerce ministry official.

Bangladesh imported textile products worth Tk 1,654.24 crore from China while import from India was Tk 526.31 crore during the period. China exported capital machinery worth Tk 659.77 crore while import from India was Tk 334.64 crore for the same category. Besides, dyeing chemicals worth Tk 373.45 crore were imported from China against Tk 252.69 crore from India.

On the other hand, iron products, vehicles and spare parts, and mineral products are some of the major items imported more from India than China, CCIF sources said.

Bangladesh imported iron products worth Tk 228.38 crore from India while the amount was Tk 100.20 crore from China. Spare parts of different vehicles worth Tk 159.39 crore were imported from India while Tk 65.52 crore from China. The country imported mineral products worth Tk 130.29 crore from India against Tk 86 crore from China during the same period.

"Chinese products are cheap compared to the same standard products of India," said an importer at Polwel Market in the capital.

Both the countries stand almost equal in selling such goods as food stuff, plastic and rubber goods, wood and wooden products, raw hides, pulp and papers to Bangladesh.

China offers goods with wide price range and importers become interested in China due to its easy trade procedure and speedy shipment, the importer explained.

China usually sends its products to Bangladesh within 25 days on an average by completing all the formalities while import from India takes 35 days.

Bangladesh's import from India was Tk 12,333 crore in the 2004-05 fiscal while the amount was Tk 9,905 crore from China during the same period.

India exported goods worth Tk 9,420 crore in the 2003-04 financial year while China exported products worth Tk 6,676 crore to Bangladesh in the same fiscal.

India was the top source of Bangladesh's import in the 2002-2003 fiscal exporting goods worth Tk 7,845.35 crore against Tk 4,521 crore from China.

Pakistani textile units to be relocated to Bangladesh

BDNEWS, *Dhaka*

Entrepreneurs of more than a dozen of Pakistani textile industries have decided to relocate their units to Bangladesh in a bid to slash their production cost by almost 50 percent, source said.

"Some home textile manufacturers from Panjab have expressed their interest to relocate industries to Bangladesh," said Mir Nasir Hossain, president of Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), briefing on his recent visit to Pakistan.

The Karachi-based Daily Times newspaper quoted a Pakistani industrialist as saying that about 20 units of bedlinen, readymade garments and knitwear have finalised their plans to shift to Bangladesh shortly.

"The plans were discussed with the Bangladeshi consul-general in Karachi and with senior officials of Bangladesh during Prime Minister Khaleda Zia's latest visit to Pakistan," the Daily Times quoted the industrialist without mentioning his name.

He said Pakistani textile industry owners have also visited Bangladesh recently to study the cost-effectiveness of the planned relocations.

He did not give the exact number or category of units, which had decided to move to Bangladesh. However, he said home textile and readymade garment manufacturers were among those planning to move.

"The Pakistani textile millers are very serious about investing in Bangladesh. They have unofficially informed us of relocating some of their units to Bangladesh," MA Awal, chairman of Bangladesh Textile Mills Association (BTMA), told the news agency.

He said Pakistani textile millers are eager to take the advantage of the Generalised System of Preference (GSP) to gain access to the European Union (EU) markets. "Production cost is also lower in Bangladesh than in Pakistan," Awal added.

"Actually the exporters and manufacturers are really disappointed by the way our government handled the matters of anti-dumping duty with the EU and the issue of market access with the US," the Pakistani industrialist was quoted as saying by the newspaper.

He said the 'failed' strategy led to imposition of non-tariff barriers by the EU. The EU not only imposed anti-dumping duty on bed wear exports, but also withdrawn GSP facility from Pakistan.

Pakistani bed wear, one of the five major export items, is witnessing a sharp fall in orders from European countries after the EU in March, 2004 imposed a 13.1 anti-dumping duty on imports from Pakistan.

China's foreign trade volume up 26.8pc in January

CEIS, *Beijing*

In January 2006, China's foreign trade volume totaled 120.49 billion US dollars, up 26.8 percent year on year, the General Administration of Customs (GAC) said on February 13.

In January, China's export volume rose 28.1 percent year on year to 64.99 billion US dollars, and imports grew 25.4 percent to 55.5 billion US dollars, according to GAC figures.

The GAC statistics showed that exports of ordinary trade grew 26.1 percent to 28.88 billion US dollars in the first month, and imports of such trade grew 25.2 percent to 24.37 billion dollars.

In January, the export volume of processing trade grew 29.4 percent to 33.6 billion US dollars, and the import volume of processing trade grew 28.7 percent to 22.63 billion US dollars.

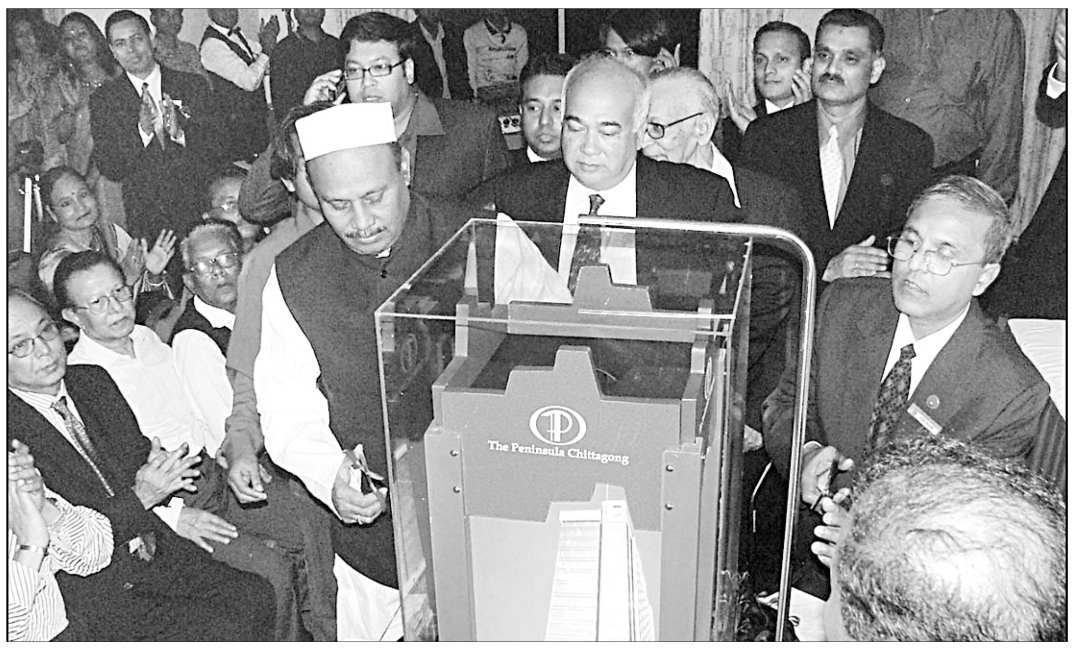

PHOTO: STAR

Chittagong City Mayor ABM Mohiuddin Chowdhury inaugurates a four-star hotel, The Peninsula Chittagong, on Friday in the port city.

4-star hotel opens in Ctg

BDNEWS, *Ctg*

The Peninsula Chittagong, a newly built four-star hotel, has started its operation in the port city.

Chittagong City Mayor ABM Mohiuddin Chowdhury formally inaugurated the hotel at a ceremony on Friday night.

The inaugural ceremony, chaired by Chairman of the hotel Golam Arshad, was addressed, among others, by former minister and also Vice Chairman of the hotel Mosharraf Hossain, Managing Director Mustafa Tahseen Arshad and Deputy General Manager ASM Shahabuddin.

The mayor said broad-based guidelines should be formulated for overall development of trade, investment and tourism sectors in Chittagong and its three hill districts.

The 14th storied hotel has been decorated aesthetically with country-made boat (Sampan), symbolising the tradition of Chittagong.

Rich states must phase out farm subsidies: India

PTI, *New Delhi*

India on Friday said developed countries must phase out trade distorting farm subsidies to make any meaningful progress in the Doha round of WTO trade talks.

This was stated by Federal Commerce Minister Kamal Nath during a meeting with Don Mckinnon, Secretary General of Commonwealth Secretariat, an official release said.

Nath said India needed flexibilities in industrial tariff reductions to protect small-scale sector.

"Co-efficients for developing countries must be different from those for developed countries. The issue of tariff peaks and tariff escalation, which act as barriers to trade flows from developing countries, must also be addressed," he said.

Mckinnon apprised Nath about activities of Commonwealth Secretariat, especially in capacity building assistance.

In this context, he mentioned that the secretariat had asked Noble laureate economist Prof Joseph Stiglitz to do a study on aid for trade.

The Secretariat was focusing on aid for trade; the cotton issue; small and vulnerable economies and concerns of the least developed countries, he added.

Mittal Steel files proposal for Arcelor takeover

PTI, *London*

NRI steel tycoon Lakshmi Mittal appears to have crossed the first hurdle with three European regulators publishing the official USD 22.1 billion bid for his takeover of the Luxembourg-based Arcelor steel company.

The offer notice was published by three European regulators -- Belgian Commission Bancaire Financiere et des Assurances, Luxembourg Commission de Surveillance du Secteur Financier and the Spanish Commission Nacional del Mercado de Valores, Mittal Steel announced Thursday night.

DUTY-FREE ACCESS TO ASIA-PACIFIC MARKETS

Dhaka fails to tap potentials

BDNEWS, *Dhaka*

The country's exporters could not benefit from duty-free access to countries in the Asia Pacific due to small size of the markets, non-tariff barriers and lack of direct shipping links, exporters said.

They also blamed the selection of less demanding export items for duty-free market access for the failure to exploit the facility.

Bangladesh was given duty-free access to Australia, Thailand, China, India, Pakistan, Sri Lanka and South Korea.

"Footwear market of Thailand is too little and no exporter will go there to use the duty-free facility," Tipu Sultan, president of Bangladesh Finished Leather and Leathergoods and Footwear Exporters' Association, told the news agency.

Export Promotion Bureau (EPB) Vice President Mir Shahbuddin Mohammad said a high-powered business delegation of Bangladesh is going to visit Thailand Monday to explore opportunities for export to the Thai market.

Commerce ministry sources said China has given duty-free market access for 83 Bangladeshi products, while South Korea has given the facility for 139 items. The numbers of items enjoying the same facility in other countries are: Thailand over 200 items, Pakistan 74 items, Sri Lanka 48 items and India 25 categories.

Australia offered duty free access to least developed countries (LDCs), including Bangladesh, from July 1, 2003. However, LDCs constitute only 0.2 percent of Australia's total imports.

Bangladesh's export to Australia was worth US$35.83 million in the last fiscal year (2004-05) as against imports worth $280.70 million, according to EPB data.

Djuice, Star Cineplex sign deal

Djuice, the youth brand of GrameenPhone (GP) Ltd, and Star Cineplex at Bashundhara City, have joined hands to bring the latest Hollywood blockbusters for the movie lovers of the country.

An agreement to this effect was signed between the organisations in Dhaka yesterday, says a press release.

Rubaba Dowla Matin, acting head of Marketing of GP, and Mirka Kristiina Rahman, managing director of Star Cineplex, signed the deal on behalf of their organisations.

Under the agreement, Star Cineplex and djuice will release four Hollywood blockbuster movies every year. The movies will be open exclusively for djuice subscribers for the first six days of their release.

Moreover, 'djuice card holders' will avail many exclusive benefits with every ticket purchase (a free soft drink and a box of popcorn). Djuice subscribers will also get a free ticket for a friend for the first one month for blockbuster movies.

There will be SMS- and MMS-based campaigns for djuice subscribers. All the offers and benefits will be effective from February 25, 2006.

US carmakers warn on Thailand, ROK trade talks

REUTERS, *Washington*

The Big Three US automakers are worried about the harm possible free trade agreements with Thailand and South Korea could do to their industry in the United States, the head of the carmakers' trade council said on Friday.

Stephen Collins told a hearing set up by US Senate Democrats that Japanese automakers had essentially moved their entire production of pickup trucks from Japan to Thailand.

"This means that when the US sits down with their Thai counterparts, it is not Thailand alone asking for US automotive tariffs to be reduced -- it is the Japanese auto industry," Collins said.

"This is very threatening to the pickup truck industry in the United States," he said.