

LC OPENING

Dollar reaches Tk 71.15

STAR BUSINESS REPORT

Dollar prices reached highest Tk 71.15 yesterday in case of opening Letter of Credit (LC) for import, up by 0.30 from the previous day.

The dollar price on Wednesday was highest Tk 70.85 in case of opening LCs.

The nationalised commercial banks also raised the dollar prices by Tk 1. The greenback was selling at Tk 69.97 yesterday.

Dollar prices also rose in the inter-bank foreign exchange market yesterday and were selling at Tk 67.65, which was Tk 67.60 on the previous day.

Show-cause notices on ten banks

STAR BUSINESS REPORT

Bangladesh Bank (BB) has issued show-cause notices on ten commercial banks as they are failing to send suspicious transactions reports (STRs) to the central bank.

Under the anti-money laundering law, the banks are supposed to send the reports to the BB.

A BB source said the central bank sent the show-cause notices yesterday and Wednesday.

Pubali Bank recommends 1:2 bonus share

Pubali Bank Ltd has recommended for its shareholders two bonus shares for each ordinary share for the year 2005.

The bonus shares were recommended at the 548th meeting of the Board of Directors of the bank held on Wednesday in Dhaka, says a press release.

It was also decided at the meeting that the 23rd annual general meeting (AGM) of the bank would be held on March 30, 2006 in Dhaka.

Showroom of Suzuki vehicles opens

STAR BUSINESS REPORT

Uttara Motors Limited yesterday inaugurated a new showroom of Suzuki vehicles in Dhaka.

The new showroom, located on Shaheed Tajuddin Ahmed Sarani at Tejgaon, will display exclusive Suzuki vehicles, directly imported from Japan.

Matasushiro Horiguchi, ambassador of Japan to Bangladesh, inaugurated the showroom. Matiur Rahman, chairman and managing director of Uttara Group of Companies, also attended the function.

Other high officials from Suzuki Corporation Japan were also present.

Bangladesh Monitor gets PATA gold award

The Bangladesh Monitor, a travel and aviation journal of the country, has received Pacific Asia Travel Association (PATA) Gold Award for an article.

The article titled "Development of Tourism in BD: A Thrust Sector" with No Thrust", written by Chief Editor of the journal Raquib Siddiqi, was published in September 1-15 issue, says a press release.

The award, given under 'Travel Journalism Award-Industry Business Article/Trade Publications' category, will be presented on April 24, 2006 at the 55th PATA Annual Conference to be held in Thailand.

Product diversification key to utilising EU market access facility

STAR BUSINESS REPORT

As the EU provides LDC products with duty- and quota-free access under 'everything but arms' scheme, diversification of export items is the only means of taking full advantage of the facility, speakers at a roundtable said yesterday.

They also urged the European Commission (EC) to relax the rules of origin (RoO), which they believe would create new opportunities for the least developed countries (LDCs).

They further called upon the government to take a positive decision on the regional cumulation to help the country's readymade garment sector become more competitive in the quota-free era.

The roundtable on 'New GSP: Impact on EU-Bangladesh Trade' was organised by the International Chamber of Commerce-Bangladesh (ICC-B) in Dhaka.

Speaking at the discussion, ICC-B President Mahbubur Rahman said due to lack of product diversification and tough RoO, it was not possible for the LDCs to reap as much benefit as the developing countries do from the duty- and quota-free market access facility.

The new EU GSP (Generalised System Preference), together with a simple and relaxed rule, appears to open an important window of opportunities for LDCs like Bangladesh, he hoped.

He said an offer of market access needs to be complemented by policy support from the government as well as by fresh initiatives from the entrepreneurs. "The entrepreneurs will have to build up their capacity while the government at the same time should provide necessary infrastructure including modern port, uninterrupted power supply and improved communication systems. Besides, economic development-oriented political atmosphere as well as appropriate

tariff structure are also necessary to help Bangladeshi companies compete with the rest of the world."

President of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) Mir Nasir Hossain said: "Unless we diversify our export items, whatever facilities are given to us, we cannot change the scenario."

Anthony Goodwin, chargé d'affaires of EC delegation, said the EU's GSP and more particularly, its 'everything but arms' (EBA) scheme is not just a labyrinth of technical rules for governing the EU's trading relations, it is also a pivotal plank in their efforts to promote development and the integration of developing countries into the global marketplace.

About relaxation of RoO, he said the EC is examining the RoO, governing its GSP with a view to simplifying them and making them more development friendly.

Commenting on the recent WTO Ministerial in Hong Kong, he said, "The EC pushed strongly at the ministerial conference for developed countries -- notably the US -- to extend the same duty- and quota-free market access for all the products from the LDCs, as has been granted by the EU under the EBA scheme since 2001."

President of Bangladesh Knitwear Manufacturers and Exporters Association Fazlul Haque, however, said the knitwear exporters are in a dilemma whether they should go for the simplified RoO or not.

"If we are satisfied with the current situation then why we should change the position?" he questioned. With the present RoO structure, which is favouring the knit sector of the country, 81 per cent knit products get GSP facilities from the EU, he said.

He, however, felt some sorts of relaxed RoO are needed for the woven sector, which is struggling to gear up its export to the EU market

after the quota phaseout early last year.

Annisul Huq, immediate past president of Bangladesh Garment Manufacturers and Exporters Association, said the government should make decision immediately on regional cumulation offered by the EU.

Presenting a keynote paper on 'EU Scheme of Generalised System of Preferences' Charles Whiteley, first secretary of the EU, said the EBA scheme, an exclusive arrangement for LDCs, continues to apply for the world's 50 LDCs and all products except arms and ammunitions are covered and they can access the EU market duty- and quota-free for an indefinite period.

He said the new EU GSP features maintaining the generous tariff rates, targeting the GSP in the countries that most need it, simplifying GSP with easier access, devising new incentives to encourage sustainable development and good governance and improving RoO.

Presenting another keynote paper on 'New EU GSP: Bangladesh Perspective' Zillul Hye Razi, EU trade officer, said under EBA Bangladesh also continues to enjoy duty-free access for indefinite period while the old RoO remain valid and preference or duty exemption remains as before.

Among others, Latifur Rahman, president of Metropolitan Chamber of Commerce and Industry and vice-president of ICC-B, Mustafizur Rahman, research director of Centre For Policy Dialogue, MA Momen, president of Dhaka Chamber of Commerce and Industry (DCCI), MH Rahman, former DCCI president, Alamgir Z Rahman, president of Dutch-Bangla Chamber of Commerce and Industry, and Prof MA Taslim, executive director of Development Initiative, also spoke at the roundtable.

CROWLEY ON TRADE BILL Exporters vent mixed reaction

BDNEWS, Dhaka

Exporters expressed mixed reaction over the comments by visiting US Congressman Joseph Crowley on the much talked-about TRADE Bill seeking duty-free access of products from some Asia-Pacific countries, including Bangladesh, to the US.

"We have to intensify our efforts... We need to work out plan for boosting campaign to get duty and quota free market access," said Annisul Huq, former president of Bangladesh Garment Manufacturers and Exporters Association (BGMEA). Fazlul Hoque, president of Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), said: "I am frustrated by the comment by the US Congressman on the issue."

Crowley, co-chair of congressional Bangladesh Caucus, arrived in Dhaka Tuesday on a three-day visit.

The US Congressman aired a frustrating sound regarding the TRADE Bill. "The passage of TRADE Act is a difficult process ... You need to understand that it is not an easy process. So, everyone must be prepared for any outcome," he told reporters at a press conference.

On the possibility of passing the bill by November he said it would depend on circumstances. "There is limited time before the election," he said.

Crowley, however, said if the bill is not passed this year, efforts would be made in 2007.

Annisul Huq said Bangladesh has to face tough situation in the US market soon after restriction on Chinese textile exports is over in 2008.

"We need to raise support for the bill and have to intensify our efforts," he said. It took seven years for African countries to get AGOA, he said.

Fazlul Hoque said there is no doubt that LDCs, such as Bangladesh, need market access to the US. But, we see nothing optimistic in the comment by Crowley on the queries of the TRADE Bill," he said.

BGMEA President Tipu Munshi was not available for comment on Annisul Huq's proposal to work out a plan on the TRADE Bill.

The TRADE (Tariff Relief Assistance for Developing Economies) Act 2005 was introduced in the House of Representatives on February 17 last year to extend trade preferences to certain LDCs.

The TRADE Act of 2005 was raised in the US Senate on January 26 this year. Republican Congressman Jim Kolbe and Joseph Crowley of the Democratic Party raised the bill.

Sonargaon hotel's expansion work launched

STAR BUSINESS REPORT

Five-star Pan Pacific Sonargaon yesterday launched its expansion work.

State Minister for Civil Aviation and Tourism Mirza Fakhrul Islam Alamgir inaugurated the hotel's the three-phase extension programme involving Tk 66.64 crore.

The first phase work, which will be complete within 18 months, includes a three-level underground parking lot for 450 cars, peripheral road, laundry plant, retaining wall and boundary wall.

Al-Amin Construction Company Ltd and K-Tech Construction Public Company Ltd of Thailand are jointly implementing the project.

Emirates SkyCargo takes part in Air Freight Asia 2006

Emirates SkyCargo took part in 'Air Freight Asia 2006' held in Shanghai recently.

Air Freight Asia 2006, which was held from February 14-17, is one of the prestigious air cargo conferences and exhibitions in the Asia Pacific and Middle East regions, says a press release.

The Emirates SkyCargo stand with new products and solutions attracted a good few visitors and industry players. Senior managers and staff from Emirates SkyCargo headquarters in Dubai and local Shanghai office were present at the show.

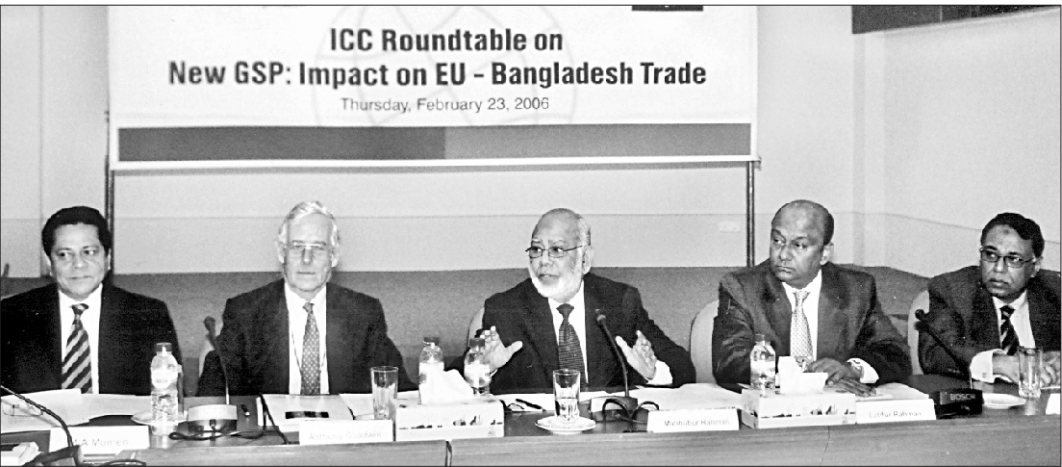


PHOTO: ICC-B

ICC-B President Mahbubur Rahman (C) speaks at a roundtable on 'New GSP: Impact on EU-Bangladesh Trade' in Dhaka yesterday. Chargé d'Affaires of EU Anthony Goodwin (2nd-L), DCCI President MA Momen (L), ICC-B Vice President Latifur Rahman (2nd-R) and FBCCI President Mir Nasir Hossain are also seen.

Regulator-firm debate to improve quality of financial reports

Say audit firm executives

STAR BUSINESS REPORT

Top executives of one of the world's largest audit firms -- KPMG -- yesterday stressed the need for continuous debate within the institutes concerned and regulator for improving the quality of financial reports.

In the open market economy, a single set of audit standards should be followed globally, they noted.

"It was important for us to have our presence in Bangladesh because many of our clients are now operating here," Jean-Paul Thill, chief executive officer (Europe-Middle East-Africa) of KPMG, told a press briefing in Dhaka.

KPMG top executives yesterday attended a function to celebrate the attainment of its member firm status

by the leading Bangladeshi audit firm -- Rahman Rahman Huq (RRH).

Collin Holland, chairman of KPMG (Middle East-South Asia sub region), also spoke at the briefing while Adeeb H Khan, partner of RRH, made a presentation on KPMG and RRH. Hafiz Choudhury, senior partner of RRH, was also present at the briefing.

When asked how overall quality of financial report can be improved in Bangladesh, Jean-Paul Thill said continuous debate by the institutes concerned and the regulator can change things significantly.

Citing an example of the US, he said the Securities and Exchange Commission (SEC) there now talks on such issues as the quality of financial report, audit standards and quality control almost every day. Audit

firms need to work hard to restore the confidence once financial market loses its credibility, he felt.

When people invest in companies, Thill went on, it should be ensured that their interests are protected.

RRH got member firm status with KPMG with effect from January 1, 2006.

Member firm is the highest level of affiliation within KPMG, headquartered in The Netherlands.

RRH now becomes the only audit firm of chartered accountants in Bangladesh holding such highest level of affiliation.

Founded in 1962, RRH is a partnership firm of chartered accountants operating in Dhaka and Chittagong.



PHOTO: STAR

Jean-Paul Thill (2-R), chief executive officer (Europe-Middle East-Africa) of KPMG, one of the world's largest audit firms, speaks at a press conference in Dhaka yesterday. Collin Holland, chairman, Reyaz Mihular, regional executive partner, of KPMG (Middle East-South Asia sub region), and Hafiz Choudhury, senior partner of Rahman Rahman Huq, member firm of KPMG, were also present.

Remove non-tariff barriers

FBCCI urges India

BDNEWS, Dhaka

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) yesterday urged India to eliminate various non-tariff barriers (NTBs) against Bangladesh's exportable products for reducing trade gap between the two countries.

"Some barriers like classification, testing and labelling require-

ments, registration, quarantine requirement, sanitary and phytosanitary requirement, are currently affecting the flow of our exports to India," said FBCCI President Mir Nasir Hossain at a meeting with the 21-member business delegation of Meghalaya, India.

He said poultry, hilsa and dry fish, vegetables, cosmetics and toiletries, pharmaceuticals, ceramics, plastic and melamine prod-

ucts, RMG items have good prospect in North Eastern India.

Citing India's export of over US\$ 2 billion against \$144 million exports from Bangladesh, he said: "We want to have proper market access to India either under the WTO regime or under the Safta."

"I am aware of some problems. I will talk to the government to expedite the process of increasing trade," said OL Nongtdu, co-chairman of the Meghalaya Industrial Development Corporation Ltd and leader of the delegation.

He referred to short distance between Bangladesh and north-eastern India and said the north-eastern states are interested to trade more with Bangladesh. He asked local fish exporters to export more fish so that it can raise the export volume from the current Rs 400 crore to Rs 1000 crore.

"This will help reduce the trade imbalance between the two countries," he said and proposed to form a joint chamber aimed at identifying areas of cooperation between the businessmen of northeastern India and Bangladesh.

He urged the local cement manufacturers to import limestone from India's northeastern states.