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Govt to privatise state-owned textile mills, says minister

Ctg int'l trade fair concludes today

STAFF CORRESPONDENT, *Ctg*

The government has decided to privatise state-owned textile mills to attract foreign investment in the backward linkage industries so that the country can face the challenges in the post-MFA (multi-fibre arrangement) era, said Textile and Jute Minister Shahjahan Siraj yesterday.

"The country needs at least 150 composite textile mills in next five to seven years to face the challenges in the quota-free regime. Having been aware of this necessity and the interests of foreign investors, we have taken steps towards privatisation of the state-run textile units," he said.

The minister was speaking as chief guest at the formal concluding ceremony of the 14th Chittagong International Trade Fair (CITF)-2006 at the Railway Polo Ground in Chittagong.

Although 76 percent of the country's export earnings come from textile and readymade garments, the sector is yet to see remarkable foreign investment, the minister observed.

The 40-day show began on February 14 with a view to promoting local products and helping businesspeople find newer markets abroad. The show ends today.

Whip of Jatiya Sangsad Syed Wahidul Alam, among others, spoke at the function, chaired by President of Chittagong Chamber of Commerce and Industry (CCCI) Saifuzzaman Chowdhury.

Speaking at the function, Saifuzzaman stressed the need for producing diversified jute-goods and offering easy-term loans to the farmers.

He also urged the government to take steps to strengthen International Jute Study Group for the development of jute and jute-products to help boost export.

CCCI Vice President MA Latif and CITF-2006 Chairman Ershad Ullah were also present at the function where the minister handed over prizes to the owners of the best pavilions and booths of this year's fair.

Abul Khair Condensed Milk and Beverage Ltd got the prize in the best premier gold mega pavilion category while the best premier mega pavilion award went to TK Group of Industries. Ranks Telecom Ltd received the best standard mini mega pavilion prize while Intraco CNG Ltd got the best premier standard pavilion award. Of the booths, Gazi Group clinched the best prize followed by Build Com and HRC Products Ltd.

PHOTO: STAR

Award winners for best stalls pose for photographs with the guests at the formal concluding ceremony of Chittagong International Trade Fair yesterday. The exposition comes to a close today.

GP introduces new billing system for post-paid users from Tuesday

GrameenPhone (GP) Ltd is going to introduce an innovative electronic bill payment system through FlexiLOAD, for its post-paid subscribers from Tuesday (March 28).

With the introduction of the facility, GP's post-paid subscribers will get the freedom to pay their bills with any amount starting from Tk 150 to Tk 50,000 at any time of the day, says a press release.

The new system will make the bill payment easy and hassle free. The subscribers will not face any queue or time barrier while paying bill. Moreover, barred phones will be automatically unbarred within a few minutes of paying bill through FlexiLOAD. Subscribers will be able to pay any amount of their billed or unbilled usage.

To pay GP post-paid bill through the system, a subscriber only needs to visit the nearest GP authorised FlexiLOAD retail outlets or points of sale. Upon choosing any amount between Tk 150 and Tk 50,000, the subscriber will provide his or her phone number to the retailer, and the retailer will initiate the bill payment process from his or her mobile phone handset. After successful completion of the payment, both the subscriber and the retailer will receive a confirmation SMS.

Post-paid subscribers of GP namely GP Regular, GP National, Anytime 500 and Business Solutions subscribers will enjoy the service.

Businesspeople optimistic about positive outcome of PM's India trip

BDNEWS, *Dhaka*

Business leaders, who accompanied Prime Minister Khaleda Zia during her recent visit to India, termed the outcome of the bilateral meeting as positive that would help reduce the growing trade imbalance between the two countries.

They said India's intention to increase investment in Bangladesh to reduce the yawning trade gap, could be a good effort. India also indicated its readiness to facilitate easy access for goods from the neighbouring country, they said.

"The Task Force, jointly formed by Bangladesh and India businesspeople, will submit a detailed and concrete report on trade issues in next six months," Mir Nasir Hossain, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), told the news agency.

He hoped this high-profile visit would pave the way for further discussion on different contentious issues, including trade related ones, between the two countries.

During Khaleda's visit to India from March 20-22, the two countries signed two pacts, including a revised trade treaty.

Bangladesh has been seeking removal of tariff and non-tariff barriers by India to allow its goods' easy access in the country. But Bangladeshi businessmen are blaming India for long for not taking any move to raise imports from the country.

President of Bangladesh Knitwear Manufacturers and Exporters' Association (BKMEA) Fazlul Hoque said the progress made during the bilateral meeting was positive.

"I think the outcomes of the meeting are alright," he said, adding India's intention to invest in Bangladesh and export the products to India would help reducing the trade imbalance.

Hoque, who was also included in the Bangladesh trade delegation, said the Federation of Indian Chambers of Commerce and Industry (FICCI) placed 11-point proposals to find out ways to reduce the trade gap, heavily favouring India.

Director of Bangladesh Garment Manufacturers and Exporters' Association (BGMEA) SM Fazlul Hoque said although there was no concrete outcome from the India visit, it would give a framework for future talks.

The joint Task Force will work together to identify barriers to improving trade between the two nations, FBCCI president said.

"Committee for the Task Force will be formed within next 15 days and accordingly start working for preparing a detailed report, comprising barriers and prospects of business between India and Bangladesh," Nasir Hossain told the news agency.

Japan, China finance ministers meet in Beijing

AFP, *Beijing*

Japanese finance minister Sadakazu Tanigaki and his Chinese counterpart began talks here Saturday with China's currency regime on the agenda.

Tanigaki was meeting with Jin Renqing during a one-day visit to the Chinese capital, a Japanese embassy spokesman said, amid souring diplomatic relations between the two major trading partners.

The talks are the first since the two ministers agreed in June to set up a new framework for regular meetings between finance ministry officials of the two Asian powerhouses.

"I would like to broadly discuss economic and fiscal situations in Japan and China as well as the Asian and world economies," Tanigaki was quoted by Kyodo news agency as saying in Tokyo Friday.

"The issue of the Chinese yuan and structural reforms in Japan's economy and finances may be taken up," he said.

Under pressure from western critics, China revalued the yuan by 2.1 percent against the dollar in July last year, scrapping its 11-year-old peg of about 8.28 yuan to the greenback in favor of a link to a basket of currencies.

Since then, the yuan has further risen almost three percent stronger against the US currency.

Budget terminals boost Asia's low-cost airline sector

AFP, *Singapore*

Southeast Asia's low-cost airline sector is set to continue its phenomenal growth with this week's opening of the region's first dedicated budget terminals in Singapore and Malaysia, analysts said.

The combined 57 million US dollar investment for the facilities by the two neighbours is a boost for the region's budget airlines which have blossomed despite initial scepticism at the no-frills concept, they said.

"Low-cost terminals are a natural extension of the budget phenomenon we've seen in the past 18 to 24 months," said Shukor Yusof, an aviation analyst with Standard and Poors in Singapore.

Malaysia on Thursday opened Southeast Asia's first dedicated no-frills terminal built at a cost of 29.2 million dollars. It can handle 10 million passengers a year.

Next door in Singapore, a 27.8 million dollar facility starting operations on Sunday can handle 2.7 million passengers annually and is designed to serve five million after future expansion.

"Low-cost carriers are here to stay and will be a significant part of the regional aviation industry," Yusof said.

"The development of two dedicated terminals also illustrates low-cost carriers' growing presence in the airline sector, having transformed it via low fares and emerging route networks."

The two terminals each have only one committed user, AirAsia for the Malaysian facility and Tiger Airways in Singapore. This has not dented analysts' upbeat outlook for the regional budget airline sector.

"I don't think it is much of a concern," said John Koldowski, director of the strategic intelligence centre at the Bangkok-based Pacific Asia Travel Association.

"The low-cost carriers when they first came out, many said it was a fad... well, it has lasted and in fact it has consolidated.

"They certainly stimulated the sector and markets and consumers obviously like what they are receiving."

Growth in the low-cost sector partly explains why industry watchers expect the Asia-Pacific region to lead global growth in air passenger traffic over the next 20 years.

While Malaysia and Singapore are fierce economic rivals and both aim to be the hub for low-cost airlines, analysts said the two terminals will only spur growth in the sector.

"I don't think the proximity of the terminals has too much bearing, especially with low-cost flights between the two countries not currently allowed," said Richard Pinkham, a Singapore-based consultant with the Centre for Asia Pacific Aviation in Sydney.

"As both carriers are principally point-to-point travel at this point, it seems not overly likely that the two low-cost terminals will be in competition with one another for passengers, especially with a five-six hour drive separating them," Pinkham said.

Taiwan, Vietnam to expand flights

AFP, *Taipei*

Taiwan and Vietnam have agreed to expand flights between them on the back of booming trade and tourism, the Civil Aeronautics Administration (CAA) said Saturday.

Under the new pact pending final approval from both governments, the seat capacity of Taiwanese airlines offering regular passenger flights to Ho Chi Minh City will nearly double to 11,000 a week from 6,010, the CAA said in a statement.

And the cargo flight capacity of Taiwan air carriers would be lifted from 600 tonnes a week to 1,000 tonnes, it said.

Taiwanese airlines would also be allowed to extend their flights from Vietnam to Europe while Vietnam Airlines would be allowed to extend its flights from Taipei to San Francisco or Los Angeles, it said.

Qatar to become Nepal's most favoured labour destination

XINHUA, *Kathmandu*

Qatar may soon replace Malaysia as the most favoured labour destination of Nepali workers, according to statistics of Department of Labour and Employment Promotion released Saturday.

The statistics reveal that the total number of workers leaving for Qatar on employment purpose increased by 70 percent in the first eight months of the current fiscal year (starting on July 2005) to 39,397, compared to 23,125 of the same period of last fiscal year.

Although the figure is still way below Malaysia's 60,541, growing inclination of workers toward accepting employment in Qatar indicates that Nepali workers have started to prefer going to Qatar.

The statistics show that from Feb. 13 to March 13, a total of 7,578 people left for the destination, up by around 204 percent compared to that of same month last year.

The number of workers leaving for Malaysia stood at 7,149 during the month.

Women entrepreneurs of Dhaka, Delhi sign MoU

STAR BUSINESS REPORT

In a bid to strengthen economic and social development ties between women entrepreneurs of two neighbouring countries, Women Entrepreneurs' Association (WEA), Bangladesh, and Federation of Indian Women Entrepreneurs (FIWE) signed a memorandum of understanding (MoU) in Dhaka yesterday.

Rokia Afzal Rahman, president of WEA, Bangladesh, and Rajni Agarwal, president of the FIWE, inked the deal on behalf of their organisations, while other members of the WEA were present.

Under the MoU, both the organisations have agreed to exchange information on all economic issues with regard to women entrepreneurship development in Bangladesh and India.

Speaking at the signing ceremony, Rokia Rahman said, "At first, we have to understand the problems that we are facing in both sides in developing economic activities of women entrepreneurship".

The deal will help women entrepreneurs in both the countries identify problems that they are facing in their businesses as well as social areas, she added.

The WEA president urged her counterpart to come forward for setting up joint venture projects in Bangladesh, as the country is enjoying duty-free market access to Canada and Australia and GSP (Generalised System of Preference) facilities in the EU markets.

"If Indian women entrepreneurs invest in Bangladesh, they can get the same facilities that we are enjoying in exporting goods to these markets," Rokia Rahman went on.

Speaking at the function, Rajni Agarwal said: "Our activities should be concentrated not only on developing the entrepreneurship of urban women but also of the rural women who are making quality exportable products."

"We will launch some marketing campaigns nationally and internationally so that women entrepreneurs of the two countries can get exposure in each country as well as in global market," Rajni mentioned.

According to the MoU, both the organisations agreed to exchange information about population and health, including HIV/AIDS, education and literacy, and community development.

The two business bodies also agreed to cooperate in activities of corporate social responsibility and training in order to enhance the quality of living standard.

They have also reached consensus to support activities such as seminars and trade fairs in order to promote women's entrepreneurship and empowerment.

PHOTO: STAR

Rokia Afzal Rahman, president of Women Entrepreneurs' Association, Bangladesh, and Rajni Agarwal, president of Federation of Indian Women Entrepreneurs, exchange documents after signing a memorandum of understanding (MoU) yesterday in Dhaka. Under the MoU, the organisations will exchange information on all economic issues with regard to women entrepreneurship development in the two countries.

China not to blame for huge US trade deficit

Says WTO official

XINHUA, *Geneva*

A senior World Trade Organisation (WTO) official said here on Friday that China was not to blame for the huge US trade deficit and Washington could not solve this problem through protectionism.

"Trade imbalance with China has given rise to certain proposed measures in the Congress, and clearly the US administration is watching that particular imbalance rather carefully," said Clemens Boonekamp, director of the WTO's Trade Policy Review Division.

"But it's not bilateral imbalance that you need to worry about, and to put it in more economic terms, the actual overall trade imbalance, the current account imbalance, is a result of policies elsewhere," Boonekamp told reporters after the WTO's three-day policy review of the United States.

Boonekamp reminded reporters that the US administration and the Congress were actually divided on the US-China trade deficit issue.

"I don't think the US administration is actually blaming China. There is, however, a lot of political pressure, political noise particularly in the Congress that says China is to blame for this in some way or another," he said.

The official said the current situation with China was in some way a repeat of what happened with Japan in the early 1980s, except that that the US was not taking the same kind of measures that it took very quickly against Japan.

"The US administration is certainly resisting what's taking place in the Congress at the present moment," he noted.

According to the official, nearly all WTO members expressed their concerns about the US "twin-deficits" during the three-day policy review meeting.

The WTO members also expressed worries that the US fiscal and trade imbalances might give rise to protectionist sentiments.

Asked whether he had given some direct recommendations to the US on the imbalances, Boonekamp said he had only indirect suggestions: protectionism is not an answer.

"This clearly is a macroeconomic phenomenon, part of the global trade imbalance phenomenon, and not a problem to be addressed by trade protectionism," he stressed.