

FBCCI, Kuwait Chamber sign MoU to boost trade

BDNEWS, Dhaka

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) and the Kuwait Chamber of Commerce and Industry (KCCI) concluded a memorandum of understanding (MoU) in Kuwait yesterday to promote trade and economic cooperation between the two countries.

FBCCI President Mir Nasir Hossain signed the MoU n behalf of FBCCI.

The MoU, which contains seven clauses, provided that both the parties will cooperate with each other in the endeavour to establish and develop direct and effective business relations between their respective members. They will exchange information on the possibilities of promoting mutual trade and supply their own publications and other relevant materials, according to a press release.

Both the parties will assist the enterprises in their countries to participate in the business under joint venture in organisng national exhibitions, international fairs and specialized exhibitions.

Bangladesh needs skilled manpower in textile sector

STAR BUSINESS REPORT

Bangladesh needs highly skilled technicians and engineers in textile sector to meet challenges in the post-MFA (multi-fibre arrangement) era, said speakers at a function in Dhaka yesterday.

They were speaking at the launching ceremony of Department of Textile Engineering of Daffodil International University.

They said the country has at least 2000 textile factories but they are manned by unskilled or semi-skilled technicians.

Addressing the function, Minister for Textiles and Jute Shahjahan Siraj said Bangladesh needs to establish 150-200 composite textile factories within five to seven years to cope with the highly competitive global textile market.

Chairman of University Grants Commission Prof M Asaduzzaman said the country needs pragmatic education policy with special focus on market and employment oriented subjects in the public and private universities.

Md Sabur Khan, chairman of Board of Governors of DIU, and Prof Aminul Islam, vice chancellor of DIU also spoke at the function.

Oil prices little changed in Asian trade

AFP, Singapore

Oil prices were little changed in Asian trade Tuesday as the market continued to take a breather ahead of an expected push toward record highs later in the week, dealers said.

At 10:44 am (0244 GMT), New York's main contract, light sweet crude for June delivery, was at 73.24 dollars per barrel, down nine cents from US trade when it lost 1.83 dollars.

The June contract had hit a high of 75.35 dollars in Asian trade Monday to match the all-time intraday high set last Friday.

Brent crude was flat at 73 dollars. The market continued easier after "the correction that we saw (overnight)," said Dariusz Kowalczyk, senior investment strategist with CFC Seymour in Hong Kong.

He said technical factors contributed to the decline after a statistical analysis of price trends indicated a correction was overdue and the 75-dollar mark provided strong resistance.

Political fundamentals leading to the correction included the designation at the weekend of Jawad al-Maliki as Iraq's new prime minister and OPEC comments that the market is well-supplied, Kowalczyk said.

"People looked at it as an excuse to take profits," the analyst said. He said the breather will not last long as a US inventory report Wednesday is expected to show a sharp decline in key gasoline (petrol) stocks ahead of the North American summer driving season.

POWER DISRUPTION

RMG factories face 30pc production fall: BGMEA

UNB, Dhaka

Leaders of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) yesterday said production of readymade garments (RMG) has dropped by 30 percent due to the nagging power crisis.

The BGMEA leaders came up with the shocking figure during a meeting with State Minister for Power Iqbal Hassan Mahmood at his office.

They, however, did not give any details of the production fall.

They urged the state minister to take some immediate measures, which they believe, would help recover at least 15 percent of the damage caused by the power disruption.

Their suggestions include introducing a relatively lower and

flat power tariff dealing with the existing peak and off-peak hour rates, issuing notice prior to the start of load-shedding and installing PFI (power factor improvement) devices at the garment factories by the government and allowing factories to consume up to 75 kilowatt electricity without any installing and sub-stations.

The state minister disagreed with the BGMEA leaders about their claim of production fall, but assured them of bringing the problems to the notice of Prime Minister Khaleda Zia for her advices.

"I will send a summary to the prime minister and seek her advices to address the problems of the garment factories," he told reporters after his meeting with the BGMEA leaders.

The state minister urged the

garment industry leaders to introduce energy-saving measures for their plants, which would help improve the power supply situation.

BGMEA President Tipu Munshi said frequent power outage also causes various hazards to their plants such as fire incidents and short-circuits apart from the production fall.

"These incidents create panic among the workers and sometimes lead to stampedes," he said.

The BGMEA leaders and the state minister agreed to jointly hold a seminar on power supply situation and use of conservancy devices on May 3 in Dhaka.

BGMEA vice-presidents Salam Murshedi and Shahadat Hossain Chowdhury were also present at the meeting.

5-day cyber fair begins today

STAR BUSINESS REPORT

A five-day cyber fair begins at Bhasani Novo Theatre in Dhaka today.

President Iajuddin Ahmed is scheduled to inaugurate the fair as chief guest while Science and ICT Minister Abdul Moyeen Khan and Secretary Mian Mushtaque Ahmed will also attend the inaugural function.

Ministry of Science and ICT and Cyber Cafe Owners Association of Bangladesh are jointly organising the fair. Bangladesh Computer Samity, Bangladesh Association of Software and Information Services, ISP Association of Bangladesh and Bangladesh Computer Society are the co-organisers of the fair while The Daily Star, the Jangantor and Channel i are the media partners.

Browsing zone, game zone, spot quiz competition and dialogue sessions will be arranged at the fair. Besides, new software and technologies will be available at a reduced price.

The entry fee of the fair has been fixed at Tk10. The exhibition will remain open for the visitors from 10am to 8pm everyday.

GMG Airlines relaxes cancellation policy

GMG Airlines has announced a new cancellation policy for all flights on the domestic sector which will immensely benefit passengers who miss their flight or need to reschedule their flights at the last minute, says a press release.

Under the new policy, if a passenger misses the flight or cancels within 24 hours prior to scheduled departure, the same may be revalidated for further travel or refunded by paying a nominal fee of Tk. 1,000. When compared to the previous policy the revised policy is highly advantageous as earlier the passenger would lose the total fare excluding the tax.

This cancellation policy is the first of its kind in the country introduced by GMG Airlines in domestic routes with the objective to give complete value for money to all its customers.

Saudi oil reserve for China a win-win proposition

AFP, Riyadh

China's quest to set up a strategic oil reserve fed by Saudi Arabia is a logical extension of growing ties based on mutual need between the two nations, analysts said Tuesday.

The relationship between Beijing, which is looking for secure oil supplies to fuel its economic growth, and the world's top crude exporter has a mainly economic agenda and should not be overly politicized, they said.

"Saudi Arabia's position on the Chinese proposal to set up the oil stockpile has been that it does not oppose it in principle, but it has to make economic sense, and the burden of proof of its feasibility is on the Chinese," Saudi economist Ihsan Bu Hulaiga told AFP.

A Chinese official said the proposal was discussed during a weekend visit by President Hu Jintao to Saudi Arabia, which came just three months after Saudi King Abdullah paid a landmark visit to Beijing.

Some 100 million barrels of oil -- roughly 10 days' worth of Saudi oil output -- would be stockpiled in the reserve, Bu Hulaiga said.

Although there is a "political element" in the Sino-Saudi rapprochement, "the agenda now is economic ... The two countries need each other," he said.

Beijing wants energy to carry out its "ambitious development plan, and few countries can compete with Saudi Arabia in providing continuous oil supplies," Bu Hulaiga said.

Saudi Arabia for its part seeks to upgrade its infrastructure in order to generate economic growth, which translates into mega projects.

"For that, the right address is the Chinese companies. What we see as big (projects), they see as small," Bu Hulaiga said.

China plans to fill the first of its strategic oil reserve facilities by year's end, a senior planning official said in March, adding that three other reserves would be ready in 2007-2008.



PHOTO: STAR

Organisers announce the schedule of a five-day cyber fair at a press briefing in Dhaka yesterday. The show begins at Bhasani Novo Theatre in the capital today.

BEI unveils review report on Danida PSD Programme

Makes recommendations for 2006-2010

STAR BUSINESS REPORT

Bangladesh Enterprise Institute (BEI) yesterday unveiled a review report on implementation of the Danida PSD (Private Sector Development) Programme (2000-2005) in Bangladesh and also made a set of recommendations for a strategy for 2006-2010.

Danish Ambassador to Bangladesh Niels Severin Munk formally unveiled the cover of the report at a function organised by the BEI in Dhaka. BEI President Farooq Sobhan chaired the function.

The BEI has conducted the review during the period from July 1 to December 31 of 2005 following a proposal of the PSD Programme authority in Bangladesh to review the performance of the programme and identify the problems and bottlenecks in implementation.

The review was based on a thorough survey among the 44 Bangladeshi and 30 Danish companies as well as meeting with the PSD stakeholders.

In its executive summary, the review said the PSD Programme has enough scope for improvement and high potential for making significant contribution to the economy of Bangladesh.

"The strengths of the PSD Programme far exceeded its weaknesses. Moreover, most of the projects supported by the PSD

Programme are yet to go into actual production. Once the majority of the projects start yielding results, the economy of Bangladesh in general and the private sector in particular will highly be benefited," the review noted.

For formulation of a future strategy for greater effectiveness and enhanced productivity of the Danida Programme, the review report made a number of recommendations analysing the weaknesses of the programme. The recommendations include, among others, wide circulation of information, simplifying guidelines for preparation and submission of projects, and judicious selection of partners.

The review report also recommended strengthening of monitoring system of Danida, withdrawal of restriction on joint ventures with more than one company, introduction of venture capital/equity support and shifting of Danida office from the Danish Embassy to a separate location.

The report said the strengths of the PSD are the programme's contribution to economic growth and social development of Bangladesh, increase of foreign investment, creation of new markets, modernisation of business and management practices, capacity development and improvement of internal and external environment.

Speaking at the function, Farooq

Sobhan said the Danida PSD Programme can be an example to other donor agencies and they should look at it.

He also said the country needs to offer a healthy climate for more investment and such programme here.

Danida commenced its PSD programme in Bangladesh in 1999 for socio-economic development of the country through technology transfer and promotion of sustainable, business-to-business partnership between private companies in Bangladesh and Denmark.

The major activities supported by the programme include grants for partner identification, study visit, feasibility studies, training, consultancy services, technology adaptation, export promotion, improvement of working condition, combating HIV/AIDS and promotion of human rights.

Under the programme, Danida has so far provided Tk 187 crore in grants for some 52 local companies of different sectors such as information technology, apparel, agriculture, food, automobile, power and energy.

Brac Bank IT fair ends

STAR BUSINESS REPORT

The three-day 'Brac Bank IT Fair-2006' at University of Information Technology and Sciences (UITS) concluded on Monday.

At the three-day fair on UITS campus at Gulshan, at total of eleven universities including the host showcased different IT products including software.

On the sidelines of the fair two workshops and three seminars as well as IT quiz were held.

In the concluding ceremony of the fair, Professor M Asaduzzaman, chairman of University Grant Commission (UGC), was present as chief guest.

Among others, Editor of The Independent Mahbubul Alam, Vice Chancellor of the University of Asia Pacific Abdul Matin Patwari, Vice Chancellor of UITS A Majeed Khan, and Sufi Mohammad Mizanur Rahman, chairman of PHP Group, were present at the function.