

Saifur rejects cash subsidy demand of knitwear units

BDNEWS, Narayanganj

Finance and Planning Minister M Saifur Rahman yesterday rejected demand for a 15 percent cash subsidy of the knitwear sector, saying subsidy erodes industrial competitiveness.

"Industries grow better in a challenging environment. The competitiveness of an industrial unit erodes whenever it is given subsidy," Saifur said at the inaugural ceremony of the Knitwear Complex at Chashara in Narayanganj.

He said industries perform better without subsidy and entrepreneurs should proceed with the spirit of competition to sustain in the global market.

Referring to the quota facility for woven garments prior to 2005, the finance minister said the

woven garment sector would have performed better had there been no quota for them.

"The knitwear sector has witnessed spectacular growth in the last couple of years as the entrepreneurs strived to attain global competitiveness fearing a setback in the quota-free regime," Saifur said.

He expected the sector will fetch US\$ 4.0 billion in exports in the current fiscal as against \$ 2.81 billion the previous year.

The minister said ensuring workers' welfare is important for attracting buyers. "You should take care of the welfare of the workers to make them the partners of your growth," he told the entrepreneurs.

He said his ministry will sanction funds for constructing alternative link roads and bridges for

easier communication of the workers working at the BSCIC Industrial Park, where over 100 knitwear factories are operating.

"We are facing competition with Indian exporters and a 15 percent cash subsidy is required to remain in the race," Md Fazlul Hoque, president of the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), said, referring to the fact that the Indian government has announced 25 percent cash subsidy for its knitwear exporters.

He also urged the minister to ensure credits at minimum interest rate, tax holiday facility of five years for new knitwear plants and take measures to help nearly 25 sick knitwear units resume operations.

CYBER FAIR 2006 Participants offer attractive discounts

STAR BUSINESS REPORT

Participants at Cyber Fair 2006 at Bhasani Novo Theatre are offering attractive discounts on their products and services as the five-day fair has started gaining pace.

Web solution and e-commerce house 'Web Bangladesh', one of 58 local organisations participating in the fair, offers 50 percent discount on website hosting at Tk3,499.

Besides domain name, this offer also includes home page design, its officials said.

www. deshilove.com, a local matchmaking site, has announced special benefits for its new members.

"Visitors especially young people are showing interest in our offer," Nazmul Shohel, an official of the site, said.

Maisha Technology, a broadband service provider, is giving special discount on connection fee including free servicing for the first month.

At the Intel Gaming Zone on ground floor, visitors can participate in free gaming competition. Teenagers were seen flocking to the gaming zone.

At the browsing zone, equipped with 100 computers, visitors can browse for 20 minutes without any charge.

Scheduled to conclude on Sunday, the fair is open to visitors from 10:00am to 9:00pm daily with Tk 10 entry fee.

In collaboration with the Ministry of Science and Information and Communication Technology, Cyber Café Owners' Association of Bangladesh (CCOAB) is organizing the fair.

Eastern Bank Ltd is the co-sponsor of the fair while Skybd, an internet service provider, is the official ISP. The Daily Star, the Jugantor and Channel-i are the media partners of the fair while Pepsi Bangladesh is the official drink.



PHOTO: STAR
Christian Rene Looten (C), country senior officer of French telecoms giant Alcatel, speaks at a luncheon meeting organised by France-Bangladesh Chamber of Commerce & Industry (CCIFB) in the capital yesterday. Dominique Simon (L), French trade commissioner in Dhaka, and Humayun Rashid, treasurer of the CCIFB, are also seen.

Bangladesh GDP to hit 8.5pc if telecoms, energy perform better French experts say

STAR BUSINESS REPORT

Better performance in energy and telecommunications sectors can push Bangladesh's GDP growth up to 8.5 percent from the present level of 6.5 percent, French trade and telecoms experts said yesterday.

"Telecoms network can contribute tremendously to a country's economy. Bangladesh's GDP can be much better growing between 8 and 8.5 percent if energy and telecoms perform better," Dominique Simon, French trade commissioner in Dhaka, observed at a luncheon meeting.

France-Bangladesh Chamber of Commerce & Industry (CCIFB) organised the meeting at a city restaurant where Christian Rene Looten, country senior officer of Alcatel, spoke on "Telecommunications in Bangladesh: Alcatel -- a telecoms global leader."

Simon also said purchasing capacity of the people here is

increasing.

In his presentation, Looten noted telecoms sector alone should contribute at least one percent to the GDP that grows over 6 percent.

Telecoms is an indicator of the development, he said noting that around 20 million people here are able to pay for mobile phones and there is a room to make the number of telephone subscribers double.

The Alcatel official, however, observed six operators in Bangladesh market is too much, fearing that the number of operators might come down to three to four within the next 10 years.

About Alcatel's involvement in Bangladesh, he said his company is basically involved in building infrastructure in the telecoms sector.

Alcatel is one of the leading telecoms vendors in the world with its annual turnover of around US\$ 50 billion.

Around 97 percent of its revenue comes from infrastructure works,

Looten said adding that Alcatel was involved in building 50 percent of BTTB infrastructure for the fixed phone service.

He said Bangladesh Telecommunication Regulatory Commission (BTRC) has a big role to play in making the market working for all in the coming days.

Allowing so many operators in the fixed phone service in four zones may also create complication and lead to litigation in future, he noted adding some litigations may come in the coming years.

Jacques-Andre Costilhes,

French ambassador in Dhaka, and A Qayum Khan, immediate past president of CCIFB, spoke at the meeting while Humayun Rashid, treasurer of the chamber, presided over. Rifat Rashid, director of CCIFB, was also present at the meeting.



PHOTO: STAR
Models pose for photographs with a car at the three-day 'Dhaka Motor Show' that began yesterday at Bangladesh-China Friendship Conference Centre in the capital.

Explore trade, investment potential in Bangladesh FM urges Dutch business community

DIPLOMATIC CORRESPONDENT

Foreign Minister M Morshed Khan has urged the Dutch business community to explore trade and investment opportunities in Bangladesh for mutual economic benefit.

"Bangladesh no longer likes to remain dependent on foreign aid and assistance... rather, the country now looks forward to achieving trade- and investment-driven growth," he said during an official talk with Netherlands Foreign Minister Bernard Rudolf Bot at The Hague on Wednesday.

The two foreign ministers also discussed the entire gamut of Dutch-Bangla relations and exchanged views on regional and international issues of common concern, according to a press statement received here yesterday.

Morshed Khan, now on a four-nation Europe tour, said the two countries have emerged as partners in development with focus on socio-economic sectors, notably in

water management.

He apprised his Dutch counterpart of Bangladesh's achievements in poverty alleviation, empowerment of women, micro-credit, and self-sufficiency in food and disaster management.

On combating terrorism, the foreign minister mentioned the proactive measures taken by the Bangladesh government to fight terrorism including banning of terrorist groups and the success in capturing the leaders of such militant groups.

Both the sides expressed satisfaction at Bangladesh's sustained economic growth rate, which Morshed Khan termed 'very impressive'.

Khan noted despite many constraints, Bangladesh have many important achievements in socio-economic sectors, particularly in the implementation of certain specific Millennium Development Goals (MDGs).

Dhaka Motor Show kicks off

STAR BUSINESS REPORT

With a view to introducing latest automobiles and auto-related services to Bangladeshi customers, a three-day exhibition styled 'Dhaka Motor Show' kicked off yesterday at Bangladesh-China Friendship Conference Centre in Dhaka.

Communications Minister Nazmul Huda formally inaugurated the show.

A total of 60 leading vehicle distributors and dealers along with banks, insurance companies, lubricants companies and automotive component manufacturers and importers from home and abroad are showcasing their products and services at the show at about 250 stalls.

Renowned brand car, bus, truck, motorcycle, auto parts, garage equipment, CNG (compressed natural gas) conversion tools, and lubricants are on display at the show.

Among others, local distributors of Mercedes-Benz, BMW, Mitsubishi, Nissan, and Subaru cars are showcasing their latest cars at the fair.

Conference and Exhibition Management Services Ltd (CEMS), a local event management company, is organising the fair. Standard Chartered Bank is the partner of the auto show while Lucas, Castrol and Dunlop are the co-sponsors.

Matsushiro Horiguchi, Japanese

ambassador to Dhaka, Deepak Adhikary, general manager of International Finance Corporation (IFC), World Bank Group, Mashru Hug Chowdhury, head of secured and SME of Standard Chartered Bank, Niaz Rahim, director of Rahimafrooz Group, and Meherun N Islam, managing director of CEMS, spoke at the inaugural session.

Speaking at the function, the communications minister said Bangladesh has tremendous potential to develop automobile sector.

He urged entrepreneurs to invest in the country's auto industry. He also asked local auto-parts makers to produce more products locally.

Japanese ambassador said with 6 percent growth Bangladesh has tremendous potential to develop automobile sector.

Meherun N Islam said, "We have ensured the participation of local autoparts manufacturers in the fair so that they can interact with international buyers."

Gulf Air, Bangladesh Motor Sports, F1 Management, SouthAsia Enterprise Development Facility (SEDF) are the associate partners of the show while Banglalink is the telecoms partner. The Daily Star and Ntv are the media partners.

The fair will remain open from 10am to 9pm everyday. The entry fee of the fair has been fixed at Tk 20 a person.