

D-8 states sign deal to cut import tariffs, trade barriers

UNB, Dhaka

The D-8 members have signed the Preferential Trade Agreement (PTA) to cut import tariffs and remove non-tariff and para-tariff barriers to boost trade among the member countries.

The agreement was signed during the group's fifth summit in Bali, Indonesia, which concluded yesterday, according to a message received here.

A Multilateral Agreement on Administrative Trade Procedure in Custom Procedure was also signed at the 3-day summit of the Developing-8 Countries (D-8).

Established on June 15, 1997 in Istanbul, Turkey, the D-8 is a mechanism for development cooperation among the eight member countries -- Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan and Turkey.

"Some 531 items of each of the member countries will come under the purview of the tariff reduction agreement," a senior official here told the news agency.

The member states will reduce import tariffs of 8 per cent products out of total tariff lines of 6,637 items. The tariff cuts will be applicable for products having more than 10 per cent tariff rates.

The official said Bangladesh has the preference to implement the tariff reduction as designed under the PTA in eight equal installments annually since signing of the agreement while other members of the grouping would do it in four equal installments.

He said Bangladesh will remove the non-tariff and para-tariff barriers within three years of the signing of the PTA while other members are scheduled to implement those immediately after signing of the

agreement.

Para-tariff barriers (PTBs) stand for imposing taxes on imports which are not applicable for the domestic production. Bangladesh has PTBs namely supplementary duty that varies product to product and infrastructure development surcharge at a rate of 4 per cent.

The removal of PTBs from the items would not affect revenue earning substantially, said another official.

The PTA will be more or less similar in framework to that of Trade Preference System of the 56-member Organisation of the Islamic Conference (OIC).

The Preference System is designed for tariff reduction of 7 per cent items of the total tariff lines by the member states. Bangladesh has not yet ratified the agreement.

Another report says: Foreign Minister Morshed Khan attended

the fifth summit of the Developing Eight (D-8) that urged the member states to realise the full potential of the intra-D-8 trade and investment and share experiences in the field of poverty alleviation.

Khan represented Prime Minister Khaleda Zia at the summit held at Bali.

Heads of state and government from six member countries--Pakistan, Malaysia, Indonesia, Iran, Turkey and Nigeria--attended the summit. Bangladesh and Egypt were represented by the foreign minister and the minister of international cooperation.

All the heads of delegations participated in the general debate, considered the Council Report and finally adopted the Bali Declaration, which was prepared, debated and recommended by the Council.

Malaysia will host the next D-8 Summit in 2008.

India may enact law for job quota in private sector

PTI, New Delhi

The Indian government has said it may bring a law to ensure reservation in private sector jobs if the industry failed to come out with "adequate" voluntary response on affirmative action for "all inclusive" growth.

Simultaneously, the government is also working on a package to provide incentives, including tax concessions, for encouraging private companies to set up industries and create employment in districts where a large number of population is scheduled castes, scheduled tribes and other backward castes.

"We will first see what is their voluntary action... but if it fails, the government will have to look at other options... including making it legally," Indian Commerce and Industry Minister Kamal Nath said in an interview to a news channel.

Nath said the government action would depend on the response from the industry and if the government felt that the steps being taken by private firms were not "adequate on the ground", various options would be considered.

Poor nations victim of unfair trade

Speakers tell 'World Fair Trade Day' seminar

STAR BUSINESS REPORT

Third world countries including Bangladesh are a victim of unfair trade due to the terms and conditions imposed by rich countries, speakers observed at a seminar yesterday.

The seminar was organised in Dhaka to mark the 'World Fair Trade Day', which was also observed worldwide with the slogan 'Fair Trade Organisations NOW!'.

At the seminar on 'Marketing and Human Rights are not in Contradiction', the speakers said unfair practices in trade are also contributing to uneven competition in global market making the poor countries lag far behind.

"When buyers order for shoes or trousers, they instruct us not to use any trademark that mentions our country name on the products.

Perhaps they use their own label such as 'made in Italy' on the products made by us," said Mir Shahabuddin Mohammad, vice chairman of Export Promotion Bureau (EPB).

"We sell a jeans at US\$7 while it is sold at \$70 in the USA, which is an injustice," he told the seminar organised by Ecota Fair Trade Forum (EFTA), a platform of handicraft producers' organisations.

In his keynote speech, Silvio Marconi, country representative of Italy-based human rights organisation 'Terre des hommes-Italia', described how historical identity of the third world countries is depriving them of getting access to international markets.

"When you buy a French perfume, you also buy the French Revolution, Eiffel Tower and all other French heritages, but the people of first world countries are

hardly aware of the culture and heritage of third world countries," he said.

Fashion designer Bibi Russell shared some of her experiences of unfair treatments she received while marketing her products in some European countries.

Speaking as chief guest, Wolfgang Vollmann, UNESCO representative in Dhaka, said access to all types of related information is a must to create a fair trade environment and that can only be possible through raising literacy rate.

Atiur Rahman, chairman of Unnayan Shamunnay, a non-government organisation, and embassy representatives of Italy and the Netherlands in Dhaka also spoke at the seminar.

3-day IT fair ends in Ctg

OUR CORRESPONDENT, Ctg

The three-day regional information technology (IT) fair titled 'IT Mela 2006' ended here yesterday amid huge response from IT users.

Fair participants, who showcased IT products during the IT show, also expressed satisfaction about the fair.

During the three-day fair, IT products worth Tk 6 million were sold, organisers said.

The purpose of the fair was to disseminate information and create awareness about IT products, Fahim Mashroor, convenor of fair, said.

Officials of Khan Jahan Ali Computers Limited, the sole distributor of Mercury brand PC and hardware accessories, said they made a good business to the tune of Tk 12 lakh in the fair.

"We have sold 15 units of Mercury brand original laptops worth over Tk 8 lakh in the fair," said Khandaker Muradur Rahman, branch manager of Khan Jahan Ali Ltd.

Markpro Solution, authorised reseller of Tally - an Indian software for accounting and inventors management system, sold 20 software packages worth Tk 10 lakh, said Md Sahidul Islam, chief executive officer of Markpro Solution.

Tahmid Anwar, CEO of Chittagong On Line, the official Internet Service Provider of the fair, said they received booking order of around Tk 12 lakh for 15 packages of call management software named Smart Attendant, a solution for any organisation to improve their entire communication system.

Though the number of visitors was slimmed by heavy downpour on the second day of the fair, around 20 thousand people visited the fair.

Bangladesh Association of Software and Information Services (BASIS) organised the fair.

Around 40 IT firms with 60 stalls from Dhaka and Chittagong participated in the fair held at Banani Complex Community Centre in Agrabad.

German, local firms sign MoU to set up bicycle plant

German-based Schminke International GmbH and a local company -- Power Trade Engineering Ltd-- will jointly set up an export-oriented bicycle plant in Bangladesh to make European-standard bicycle accessories and complete bicycles.

A memorandum of understanding (MoU) to this effect was signed recently between the two companies in Lithuania, says a press release.

Michael Schminke, chairman of Schminke International GmbH, and SM Fakhar-uz-Zaman, managing director of the local company, signed the MoU on behalf of their sides.

Under the MoU, initially five lakh units of bicycles will be made and 1,500 people will be employed in the plant, which is expected to be set up within next nine months.

FIRE SAFETY MEASURES

BGMEA teams inspect 169 more factories

UNB, Dhaka

The BGMEA surveillance teams last week inspected another 169 garment factories in Dhaka and its adjoining areas to monitor fire safety measures.

This raised the total to 1,388 factories inspected by the surveillance teams as part of BGMEA's crash programme on fire safety.

Apart from inspection, the surveillance teams also witnessed mock fire drill on the premises of 98 factories last week to see the preparations for combating fire and also safe evacuation of factory personnel in the event of any fire.

Of the 169 factories inspected, fire exits of an apparel unit and the staircase of another was found blocked during the working hours either by equipment or goods.

During the last 43 days of the crash programme, emergency exits of 23 factories were found closed. Of these, 21 factories were fined Tk 10,000 each as per an earlier decision of the BGMEA board of directors.

In the port city of Chittagong, the surveillance teams inspected 40 garment factories and witnessed mock fire drills at 38 others last week.

On April 1, the BGMEA started its special awareness building cam-

paign on how to face any devastating fire and to ensure that latest fire extinguishers are installed in nearly 4,200 garment factories across the country.

Stung by the Chittagong KTS garment factory fire, BGMEA, the apex body in the apparel sector, launched the crash programme to disseminate information on latest fire extinguishing techniques and safe evacuation in case of any fire.

Bangladesh Garment Manufacturers and Exporters Association (BGMEA) is directly monitoring and supervising the programme through its safety and labour cell.

'DBH Property Services' launched

Delta Brac Housing (DBH) Finance Corporation Ltd yesterday launched 'DBH Property Services' to help its clients buy and sell new and existing apartments easily in Dhaka city.

The service will facilitate speedy execution of procedural formalities regarding registration, mutation, partition, mortgage and other related aspects of transferring property, says a press release.

Officials of the company at a press conference in Dhaka announced the new service. QM Shariful Ala, managing director, and Ishtiaq H Chowdhury, head of Operations, among others, were present at the press conference.

UAE, ROK ink oil stockpiling deal

AFP, Abu Dhabi

The United Arab Emirates and South Korea signed a series of accords Saturday, including a memorandum of understanding on stockpiling Emirati oil in South Korea, on the second day of a visit by the South Korean president, a spokeswoman said.

The MoU, whose terms have yet to be finalized, stipulates that South Korea will rent out facilities for stockpiling UAE crude oil, Mira Sun, a spokeswoman for President Roh Moo-Hyun, told AFP.

President Roh, the first South Korean president to visit the UAE, arrived in Abu Dhabi Friday and will conclude his trip in Dubai, another of the UAE's seven members, on Sunday.

"For Korea, this is a win-win arrangement, because it will collect renting fees and will also have a prior guarantee for purchasing the stockpiled crude oil," Sun said.

The two sides signed a total of six memorandums of understanding, including one on energy cooperation, in addition to an agreement on economic, trade and technological cooperation, she said.

Once finalized, the stockpiling deal will give the UAE a marketing gateway to Northeast Asia, one of the fastest growing markets for oil consumption, Sun said.



PHOTO: DBH

Delta Brac Housing (DBH) Finance Corporation Ltd held a press conference in Dhaka yesterday to mark the launch of 'DBH Property Services', which will help the clients of the company buy and sell new and existing apartments easily in the capital. QM Shariful Ala, managing director of the company, among others, was present.

Pak trade deficit doubles in first 10 months

XINHUA, Islamabad

Pakistan has suffered the highest trade deficit of 9.427 billion US dollars in the first 10 months of the current fiscal year (July 2005-April 2006) against 4.868 billion dollars in the same period of the previous year.

The Daily Times Saturday quoted a report released by the

Federal Bureau of Statistics as saying that Pakistan's total imports between July 2005 and April 2006 amounted to 22.95 billion dollars and exports 13.52 billion dollars.

The Pakistani government has projected exports at 17 billion dollars and imports at 21 billion dollars with a trade deficit of four billion dollars for the current fiscal year 2005-06.

However, the figures reveal that the trade deficit surpassed the actual target by 135.6 per cent of 5.427 billion dollars in just 10 months of the ongoing fiscal year, according to the report.

The imports in May and June of the current fiscal are projected to rise against the predictions of government economists. Trade experts expect a deficit of 12 billion dollars by the end of this financial year.

Thai exports grow 18pc

XINHUA, Bangkok

Thailand's exports grew more than 18 percent in March despite the appreciation of its currency, according to the latest report of the Bank of Thailand (BOT).

The country's total exports in March reached 434.55 billion baht (11.42 billion US dollars), up 18.4 percent from the same period last year, although the Thai baht had appreciated by 8 percent from late last year till the end of the first quarter this year, said the central bank's report.



PHOTO: STAR

Mir Shahabuddin Mohammad, vice chairman of Export Promotion Bureau, Wolfgang Vollmann, UNESCO representative in Dhaka, and fashion designer Bibi Russell, among others, are seen at a seminar organised to mark the 'World Fair Trade Day 2006' in Dhaka yesterday.

Indian markets to correct further on overseas funds sell-off

AFP, Mumbai

Indian shares are seen weakening further next week, led by a slowdown in overseas fund flows and redemption pressure on domestic funds, dealers said Friday.

They said sentiment has turned cautious after the US Federal Reserve's decision to hike benchmark interest rates to five percent.

Mutual funds and institutions tend to lower their exposure to overseas markets when interest rates in home markets rise as they chase higher domestic returns, analysts say.

"This is an external factor which has impacted the Indian market. We expect fund managers to study most emerging market trends for some time before deciding to alter their investment strategies," said Andrew Holland, executive vice-president (research) DSP Merrill Lynch.

The Mumbai stock exchange's benchmark Sensex index closed Friday at 12,285.11, down 74.6

points or 0.6 percent from its previous week's close of 12,359.7.

The markets tumbled during the past two trading sessions as overseas funds sold index stocks.

The Sensex has risen more than 300 percent since April 2003 on sustained overseas and domestic fund buying on the back of high economic growth and strong corporate earnings figures.

The index has risen 30 percent

this year on overseas fund flows into Indian stocks worth 4.7 billion dollars since the start of the year.

Foreign funds invested a record 10.7 billion dollars in 2005.

"The markets could dip further early next week on redemption pressure from funds. But buying interest in mid and small-sized companies will be seen at lower levels," said Atul Hatwar, a dealer at brokerage Crossseas Securities.