

High-profile German business team due next week

UNB, Dhaka

A high-powered German business delegation, supported by German Federal Ministry of Economy and Technology, will be visiting Bangladesh from May 20 to 26 to explore future fields of cooperation in trade and investment in Bangladesh.

The 16-member OAV (Association for East Asia and Pacific) delegation from different branches, including jute, garment, machinery, logistics, packaging industry, bio-diesel plants, agricultural products, will hold talks with government ministers and trade bodies in Dhaka and Chittagong.

Peter Classen, sole proprietor owner of foreign trading house Whithem G. Classen, will lead the delegation.

During the stay here, the German delegation will meet finance, commerce and industries ministers and representatives of different trade bodies and private companies.

The delegation will visit Dhaka Export Processing Zone, Beximco Industrial Park, New Mooring Container Terminal and Chittagong Export Processing Zone.

Freshgel Greenmint campaign winners get prizes

STAR BUSINESS REPORT

Square Toiletries Ltd yesterday awarded the winners of 'Freshgel Greenmint (I want more)', a consumer promotion programme.

Noman of Green Road, Dhaka was the first prize, a motorbike, while Habildar Mahatabuddin of the city's Mirpur, Borhanuddin of Savar, and Abdur Rajjak Miah of Patuakhali received multimedia computers as second prizes.

Anjan Chowdhury, managing director of Square Toiletries, formally handed over the prizes to the winners at a function in Dhaka.

A total of 2,079 people won different types of prizes out of 5 lakh people, who participated in the programme buying 100 or 150gm tube of Freshgel Greenmint toothpaste with a free toothbrush.

Other prizes include mobile phone handset, leather jacket, racing cycle, MP3 player, wrist-watch and baseball cap.

Anjan said Square Toiletries organised the programme during November 2005-February 2006 period with a view to encouraging especially the youth to use local products as well as to make people aware of the international quality of the local products.

Among others, Mahmudul Haque, director of Square Toiletries, was present at the prize giving ceremony.

Oil prices lower in Asian trade

AFP, Singapore

Oil prices retreated in Asian trade Tuesday, extending losses after sharp falls in global commodity markets sparked by a slide in the dollar, their benchmark currency, dealers said.

At 11:38 am (0338 GMT) New York's main contract, light sweet crude for June delivery, was at 68.75 dollars a barrel, down 66 cents from late New York trades Monday for the lowest level in a month and well off the record of 75.35 dollars on April 21.

Brent North Sea crude for June delivery was at 68.85 dollars, down 82 cents.

Victor Shum, a Singapore-based analyst with Purvin and Gertz, said a weaker dollar was "really bearish news for the oil market."

Analyst John Kilduff at Fimat USA said market conditions may cool further if the Federal Reserve continues to lift US interest rates.

"If high commodity prices and the Federal Reserve continue to successfully stem economic growth, then we may be at the beginning of the end for this five-year price rally (for commodities)," he said.

Dealers said the fall in crude prices will be limited by the geopolitical situation in Iran and fears over the imminent US hurricane season.

"In the short-term, the market will go down a little further, but geopolitics and the impending hurricane season will keep a high floor," Shum said.

26 overseas missions miss export targets

KAWSAR KHAN

A total of 26 out of 44 Bangladeshi diplomatic missions abroad failed to achieve export targets during July-March period of the current fiscal year.

During the same period, nine out of 16 commercial wings of Bangladeshi missions abroad also could not achieve export targets, according to Export Promotion Bureau (EPB).

Tehran failed to achieve target by 33.97 per cent, Seoul 24.87 per cent, Canberra 43.29 per cent, Jakarta 32.41 per cent, Nairobi 58.91 per cent. While Pretoria fell short of target by 8.76 per cent,

Manila 39.80 per cent, Thimphu 77.62 per cent, Kathmandu 38.89 per cent and Muscat 12.50 per cent. These 10 missions also failed to post growth in the corresponding period of the previous fiscal year.

However, the other 16 missions, which could not achieve targets, posted growth.

18 missions achieved export targets. Berlin achieved export target by 23.78 per cent, London 4.70 per cent, Rome 7.10 per cent, Brussels 41.67 per cent, The Hague 4.41 per cent, Stockholm 8.45 per cent, and New Delhi 19.92 per cent.

While Tokyo met target by 5.91 per cent, Hong Kong 2.28 per cent, Riyadh 41.99 per cent, Dubai 79.13

per cent, Cairo 13.14 per cent, Rabat 9.71 per cent, Yongon 11.94 per cent, Manama 8.02 per cent, Brunei 175 per cent, Colombo 3.58 per cent and Tripoli 13.19 per cent.

Of the commercial wings, Berlin, London, Brussels, New Delhi, Tokyo, Dubai and Yongon achieved the export target. While Washington, Paris, Ottawa, Madrid, Beijing, Tehran, Canberra, Moscow and Kuala Lumpur could not reach the export target.

The export earning for July 2005-March 2006 period was \$7517.40 million against the target of \$7323.76 million, up by 2.64 per cent.

4-day textile exposition begins tomorrow

UNB, Dhaka

A four-day textile fair titled 'Texbangla-2006' begins in Dhaka tomorrow to project the progress made by Bangladesh's primary textile sector.

Bangladesh Textile Mills Association (BTMA) is organising the exposition of the improvements made in the textile products, starting from yarn to fabrics, manufactured by local millers.

Prime Minister Khaleda Zia will formally inaugurate the fair at Bangladesh-China Friendship Conference Center (BCFCC) as chief guest.

Finance and Planning Minister M Saifur Rahman, Textiles and Jute Minister Shahjahan Siraj and Commerce Minister Hafiz Uddin Ahmed will be special guests in the opening ceremony. Energy Adviser Mahmudur Rahman will attend the function as a guest of honor.

The fair schedule was unveiled at a press conference organised by the BTMA at its office in Dhaka yesterday with BTMA Chairman MA Awal in the chair.

Awal said 39 mills, setting up 52 stalls, will take part in the fair being arranged for a third consecutive time. Twenty-nine mills will sponsor the exposition.

The theme of the fair is 'Golden Era of Primary Textiles in Bangladesh'.

Awal said during the emerging period from 2000-2005, the primary textile sector (PTS) of Bangladesh achieved a remarkable growth.

Spindle capacity rose from 2.23 million in 2000 to 4.9 million by the end of 2005, achieving a growth rate of 122 per cent which is the manifestation of the golden era of PTS, he observed.

The BTMA chief said weaving capacity also achieved a satisfactory level of growth and the

Texbangla would provide an opportunity to the PTS manufacturers to share their achievements with the citizens of the country and also provide an exposure to all stakeholders, including policymakers.

The exposition will provide an insight to pattern of development in PTS and also showcase the resurrection of Bangladesh PTS.

On the sidelines of the fair, a seminar on 'Textiles and Clothing - the Way Forward for Bangladesh' and a fashion show and cultural function will also be held on May 21.

BTMA Vice-chairmen Jahangir Alamini, M Jamal Uddin and Didar Hossain,

Secretary General Towfiq Hasan, executive committee members Nazrul Islam, Ashraf Hossain and Akram Khan were among others present at the press conference.

Pakistan plans to import 100 more items from India

PTI, Islamabad

Ahead of the approaching deadline for implementation of the South Asian Free Trade Agreement (Safta), Pakistan is planning to import 100 more items from India from the next fiscal.

Islamabad had received a list of 286 items from India during the third round of Joint Study Group held here, out of which the commerce ministry identified 100 items, which would be included in the positive list, for the time being, Pakistan daily 'Business Recorder' quoted officials as saying.

Preference would be given to those items on which duty is about five percent and are not locally manufactured, the officials said adding that the list would be finalised at an inter-ministerial meeting to be held after the budget, after seeking approval from the prime minister and the cabinet.

If the 100 items are included, the positive list would reach up to 882 items as the decision to import cement from India could be withdrawn as the prices of the locally manufactured cement may come down, the Economic Advisor to Finance Ministry Ashfaq Hasan Khan said.

Presently, the trade volume between the two countries stands over 800 million dollars and India is keenly awaiting to see whether Pakistan would implement Safta roadmap which would come into affect from July one.

Safta is fully implementable by 2015. Under the agreement for which Pakistan is a signatory, the Saarc countries have to trade each other with short list of negative items and open the rest for direct trade.

Telekom Malaysia sees spike in Q1 profits

AFP, Kuala Lumpur

Malaysia's largest telecommunications provider Telekom Malaysia has seen a sharp gain in its first quarter profit, including gains from Indonesian mobile subsidiary PT Excelcomindo Pratama.

Telekom said in a statement late Monday that its three months to March net profit rose 39 percent from a year earlier to 518.95 million ringgit (144 million dollars) while revenue was up 11 percent at 3.79 billion ringgit.

Excelcomindo, in which Telekom holds a 56.9 percent stake, contributed most of the gains in the company's cellular segment, it said.

Telekom Malaysia said the domestic mobile business would remain "highly competitive" but that it would focus on improving revenue through better product offerings for both voice and data services.

Overseas operations will remain "a focal area for us with an increasing contribution to the group," it said.

Telekom is aiming to strengthen its presence in South Asia, with operations in Sri Lanka and Bangladesh. It announced in March it would purchase a 49 percent stake in Indian provider Spice Telecom.

Russia to sign WTO trade deal with Colombia

AFP, Moscow

Russia was to sign a trade deal with Colombia on Tuesday as part of its bid to join the World Trade Organisation (WTO), a Russian negotiator said.

"Russia will today sign an agreement with Colombia on the completion of negotiations for the Russian Federation's entry into the WTO," Andrei Kushnirenko, a Russian economy ministry official involved in the talks, was cited by the ITAR-TASS news agency as saying.

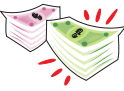
Talks with Colombia had been stalled over access for Colombian sugar to the Russian market, ITAR-TASS said.

Bilateral agreements with existing WTO members are a precondition for joining the 149-member trade body.

Russia has signed such a similar deal with the European Union, its main trading partner, but has yet to come to an agreement with Australia and the United States.

Moscow, which launched its bid to join the WTO in 1993, has had to put off its targeted entry date for joining the Geneva-based global trade body several times.

RUN-UP TO BUDGET FY07



NGOs keen in reaching budgetary benefits to poor

NGOs interested in taking away resources: Saifur

UNB, Dhaka

As NGOs yesterday expressed interest to get involved in reaching budgetary benefits to the poor, Finance Minister M Saifur Rahman said they (NGOs) are more interested in taking away resources instead of making contributions.

The NGOs at a pre-budget meeting with the finance minister said they could be involved in reaching budgetary benefits to the poor, particularly the subsidies on oil and agri-inputs, if any.

The meeting, chaired by Saifur Rahman, was held at the ministry's conference room, seeking suggestions from the NGOs on how they could contribute to solving the crises over petroleum products as well as price situation.

"We have requested the government to involve us in the distribution system of agriculture subsidy,

efforts to create small entrepreneurs and reaching direct allocation for the hardcore poor," ASA Executive Vice-president Enamul Haque told reporters after the meeting.

One of the participants said the NGOs pointed out at the meeting that the amount of Tk 50 crore allocated in the current budget for the 'monga'-hit areas could not be reached yet. "The NGOs have that high capacity to reach the benefits," he said.

He said the finance minister apprised the meeting that the issue of involving the NGOs in this regard needs to be discussed with others in the government.

"They're rather interested in taking away resources," Saifur told the newsmen after the meeting,

replying to a question whether the incomes of NGOs would come under the tax-net.

"I agree" with the proposal to impose tax on the incomes of NGOs that come from their operations, but it would have to be decided in consultation with others in the government, he said. "I noted it down."

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) in their pre-budget consultation demanded the government to bring the NGOs having commercial activities under the tax-net.

In response to another query on World Bank's observation that NGOs should not be involved in political activities, Saifur said, "I agree".

Representatives from ASA, Campaign for Good Governance (Supra), Shawmirbhar Bangladesh, Gono Shawsthya Kendro, Karitas, Ahsania Mission, OXFAM and BRAC were present at the meeting.

Gulf states, EU eye FTA

AFP, Brussels

The European Union and the Gulf Cooperation Council voiced hope Monday for progress within months towards a long-sought free trade agreement between the two blocs.

Speaking after regular talks in Brussels, neither side would forecast exactly when a free trade agreement (FTA) -- discussed for over 15 years -- could be inked.

But Sheikh Abdullah bin Zayed al Nayhan, for the GCC presidency, said: "There is a political willingness Both the EU and the GCC have demonstrated a readiness to accelerate this process."

"That might take a few months, maybe a bit longer. We don't know," he told reporters, adding that the currently 40 billion euros worth of trade could be more that doubled by a successful deal.

EU External Relations Commissioner Benita Ferrero-Waldner said she hoped that an agreement could be inked "hopefully by the end of this year," adding: "Substantial progress has been made."

"We do hope to come to agreement as soon as possible," she said.

The GCC groups Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates. The EU expanded from 15 to 25 nations in May 2004, taking in 10 mostly ex-communist countries in central and eastern Europe.

The GCC officials trumpeted their bloc's recent booming economic fortunes, while also noting the expanded potential of the EU as it enlarges further eastwards. The EU was also upbeat about developing ties.

India, US launch joint project to rehabilitate child labour

PTI, New Delhi

India and the United States have launched a joint project "INDUS" for the rehabilitation of child labours in 21 districts of this country, the government said in parliament.

The project aims at complete elimination of child labours in a focussed and integrated manner, junior minister for Labour Chandra Sekhar Sahu said in a written reply on Monday.

He said over 80,000 children withdrawn from work will be benefited under the project. The US Labour Department would provide 20 million dollars to be matched with equal funding from Government of India (shared by the Ministry of Labour and the HRD Ministry), he said.



PHOTO: STAR

Anjan Chowdhury, managing director of Square Toiletries Ltd, and other officials of the company are seen along with the winners of Freshgel Greenmint promotional campaign in Dhaka yesterday.

Asean signs FTA with ROK after Thailand opts out

AFP, Manila

South Korea signed a Free Trade Agreement (FTA) with the Association of Southeast Asian Nations on Tuesday but founding member Thailand was left out due to internal disagreements and objections to Seoul's barriers on farm products.

"We have been able to sign a very liberalizing FTA" on goods, said South Korean Trade Minister Kim Hyun-Chong at the close of a three-day conference of Asean trade ministers in the Philippine capital.

Bangkok was left out of the agreement that takes effect in July, said asean Secretary General Ong Keng Yong, although he stressed that Thailand had signed the FTA as well as soon as it settles its "internal processes."

Ong said Thailand decided to step aside rather than hold the rest of Asean back over its demand that the FTA with South Korea should cover rice, one of Thailand's key

exports.

South Korea has been protective of its rice industry and is seeking to have it excluded from the FTA.

"As soon as the domestic situation merits, (Thailand) will join and sign the asean FTA," he said.

Under the accord, "Asean and South Korea agreed to liberalize our trade and work towards increasing the exchange of goods on both sides and removing obstacles to this agreement," Ong said.

He did not specify which products would be covered by the FTA.

He and Kim stressed that the accord would open the way for more trade and investment between Asean and South Korea.

Thai Vice Prime minister Uttana Savanayana said earlier that the issue of Thai rice exports to South Korea was a major concern but that other agricultural items were also issues of contention.

South Korea and Asean signed a deal in December, setting a framework for the implementation

of an FTA this year.

The proposed accord specifies that South Korea and each Asean country may choose up to 40 items that can be excluded from tariff reductions for an unspecified period.

South Korea wants to put rice on its protected list to the dismay of Thailand, the world's number-one rice exporter.

Under the original deal South Korea and six Asean countries -- Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand -- were due to start cutting tariffs from July.

The deal will come into effect with the other four Asean members -- Cambodia, Laos, Myanmar and Vietnam -- at a later date.

Asean has already negotiated a free trade deal with China, aiming to create the world's biggest free trade zone by 2010 with a combined population of nearly two billion people.