

25 missions miss export targets in Jul-Oct

JASIM UDDIN KHAN

Performance of the Bangladeshi missions abroad to reach export target has marked a slight improvement with the number of dismal performers declining to 25 from 27. Bangladesh has now 44 diplomatic missions abroad covering around 124 countries. Of them, 25 have not been able to achieve their export targets during the July-October period in the current financial year (2006-07), while the rest performed well achieving their goals. Six missions showed extraordinary performance in enhancing export during the first four months of the fiscal. Yangon mission posted a 222.86 per cent export growth over the same period of the previous fiscal, Tripoli 120.37 per cent,

Pretoria 113.61 per cent, Hanoi 102.71 per cent, Ankara 97.53 per cent and Beijing 93.53 per cent. The missions that failed to achieve the export target are Paris, Tokyo, Hong Kong, Cairo, Singapore, Islamabad, Bangkok, Canberra, Dubai, Riyadh, Colombo, Amman, Kuala Lumpur, Kuwait, Tashkent, Doha, Kathmandu, Berlin, Rome, New Delhi, Manama, Rabat, Manila, Nairobi and Brunei. The Ministry of Commerce earlier set a monthly basis target to accelerate growth in export, sources said. In the face of poor export performance of the Bangladeshi missions, the government decided last year to hold chiefs of the missions instead of their economic and commercial counsellors accountable to achieve export targets.

The missions' economic counsellors were instructed to report through the ambassadors or high commissioners so that their performances in this regard can be scrutinised. According to the sources, most of these commercial or economic counsellors, who are not trained enough to promote country's export products to the prospective buyers, had been sent to different missions abroad on political persuasion. The commerce ministry last year failed to call back some of these officials because of political pressures, although it reached such a decision as those were deemed disqualified to discharge the jobs they had been assigned for, the sources lamented. The credit for achievement of the respective export targets during the same period goes to the mis-

sions of Washington, London, Brussels, The Hague, Stockholm, Yangon, Tripoli, Madrid, Jakarta, Pretoria, Beijing, Ottawa, Ankara, Hanoi, Muscat, Tehran, Seoul, Moscow and Thimphu. The government earlier was used to set the export target on sectoral basis after consulting with the private sector entrepreneurs. But, in recent years, the country-wide export targets have been set and the foreign missions asked to take necessary measures to attain the targets. During the four-month period, seven out of 16 commercial wings of the Bangladeshi missions also lagged behind the goals, but six commercial wings clocked a little growth over the export during the time the previous fiscal, the Export Promotion Bureau (EPB) said.



Rume Ali made MD of Enterprises at Brac

Muhammad A (Rume) Ali, former deputy governor of Bangladesh Bank, has been appointed managing director of Enterprises at Brac. He will be responsible for various Brac enterprises including Aarong, Brac Dairy and Food Project, Brac Printers, Brac Agro and Salt Industry and Brac Cold Storage, says a press release. He has also been appointed to the Board of Directors of Brac Bank. A post-graduate degree holder in Economics in 1973 from Dhaka University, Ali began his career in banking as management trainee with Grindlays Bank in 1975. His career in the bank spanned twenty-five years and three continents, during which he assumed various roles including Country Operations Manager in Dhaka, Credit Inspector in London and District Manager of Retail Banking in Melbourne.

Banglalink TV commercial gets int'l award

A TV commercial of Banglalink, 'Din Bodo', has been nominated for 'The Global Mobile Awards 2007', the most prestigious award for mobile advertising, organised by World GSM Association, says a press release. The commercial has been nominated in the 'Best Mobile Advertising' category. The award giving ceremony is scheduled to be held on February 13 at Barcelona, Spain. 'Din Bodo' symbolises the changing of common people. The central figure is a fisherman who seeks to change his life by avoiding middlemen and thereby getting a market price for his fish through a mobile service. The story is conceptualised by Razeed Hasan Chowdhury and Asif Akbar Khan. The ad-film is directed by Amitabh Reza.

Citigroup to rebrand with shorter name

Executives at financial giant Citigroup Inc are preparing to rebrand the company with a shorter name 'Cit' and a new logo without the signature red umbrella, according to a published report. The new name and look will be presented to Citigroup's board this week following a 14-month review of the bank's brand. The New York Times reported Monday, citing several executives close to the process. The plan still could undergo changes before a rollout that could begin as early as next month, the report said. "We continue to work on our branding effort and will announce our decisions when it is completed," spokeswoman, Leah Johnson, said. The new design is similar to the "cit" logo with an arc that now appears on much of Citigroup's consumer advertising, office buildings and credit cards. Each operating business would use a different color arc for a distinct look: black for Cit's corporate and investment bank; red for the wealth management division; and blue for its consumer businesses. The plan to unify the identity of Citigroup's businesses is part of an effort by Chairman and Chief Executive Charles Prince to better integrate the bank's sprawling parts after years of acquisitions.

Gemini Sea Food approves 25pc dividend

Gemini Sea Food Ltd has approved a 25 percent dividend for its shareholders for the year 2005-06. The dividend was approved at the 24th annual general meeting (AGM) of the company held recently in Khulna, says a press release. Chairman of the company Amina Ahmed presided over the AGM, which was attended, among others, by directors and managing director.

Public-private role seen key to building infrastructure

STAR BUSINESS REPORT

Public-private partnership is needed to develop infrastructure facilities in Bangladesh, faced with poor tax-GDP ratio and shrinking foreign aid, speakers told a function in Dhaka yesterday. The government should involve private sector in infrastructure development, AKM Shamsuddin, director of Infrastructure Investment Facilitation Center (IIFC), told a two-day training session styled 'Overview of Public-Private Partnership (PPP).'

The training session was organised jointly by IIFC and the Board of Investment (BoI). "In the era of globalisation, we should think of partnership for development," said BoI Executive Chairman Nazrul Islam. If a project is implemented with the participation of private and public sectors, management and capital risks can be shared by all, added the BoI executive chairman. Although the 'public-private partnership' is a new concept in

Bangladesh, it was introduced in the United States in 1953. The UK government introduced the concept in 1990 styled 'Private Finance Initiative'. Land ports, fibre optic cable network, Gullistan-Jatrabbari flyover, power plants, proposed Dhaka-Chittagong expressway are some of the examples of public-private partnership in Bangladesh, the training session was told. IIFC was formed in 1999 to promote and facilitate private sector participation in the infrastructure sector.

Brac microcredit securitisation honoured

The world's first triple A rated local currency securitisation of microcredit receivables for Brac has been recognized by the financial media as one of the most innovative and ground breaking financial market transactions in 2006, says a press release. The Asset, CFO Asia and IFR Asia, three of Asia's leading financial magazines, honoured the transaction in their annual awards that were announced in December. It is also the first time that a capital market deal from Bangladesh has picked up such accolades from the international financial media. CFO Asia named the six-year US\$180 million equivalent programme as one of its outstanding deals for 2006. "The deal brought innovation to funding for the poor, introducing a commercial transaction that may be replicated in countries where micro credit exists," said CFO Asia's editorial. The deal brought the global financial markets to the doorsteps of nearly 1.2 million households in Bangladesh. Brac is the world's largest national Non Government Organization (NGO) with over 5 million borrowers (mostly women) and 100,000 employees. Brac has also expanded its operations to Sri Lanka, Afghanistan, Tanzania, Uganda. Brac has set up two support organizations in the UK and US and has been registered in Southern Sudan and Pakistan.

IFR (International Financing Review), Asia honoured the deal with the title of best securitization in Asia Pacific for 2006. "One of the most impressive aspects of the transaction is the way that it deals with the sheer complexity of a dynamic pool that will contain about 3.3 million short tenor loans for which the average outstanding principal is around US\$95," read IFR Asia's editorial. The Asset magazine awarded the transaction the best domestic securitisation in Asia in 2006, praising the deal as one of the largest financing efforts dedicated to advancing poverty-focused micro credit. The Brac securitization closed in September 2006 and was arranged by RSA Capital, Citigroup, FMO and KfW. Two other local banks also invested in the certificates, along with Citibank, NAI in Bangladesh. "The recognition from the financial media for this transaction is most appreciated by Brac and our partners," said Bob Annibale, global director of Citigroup's Microfinance Group. "We would like to thank all our partners who helped make this such a successful transaction. We look forward to working with Brac on future transactions," said Mamun Rashid, managing director and Citigroup's country officer for Bangladesh.



New chairman of City Bank

Aziz Al-Kaiser has been elected chairman of the Board of Directors of The City Bank Limited with immediate effect, says a press release. Mohammed Shueb has also been made vice-chairman of the bank. They were elected at a board meeting yesterday. Educated in UK, Kaiser is the vice-chairman of Partex Group. He was the immediate past vice-chairman of the bank. He also served as chairman of Janata Insurance Company Limited. Shueb is the chairman of Phoenix Insurance Company Limited, vice-chairman of Phoenix Leasing Company Ltd and Phoenix Group of Industries.

British Airways workers vote to strike

Thousands of British Airways employees have voted to strike following disputes centering on sick pay and pensions, union officials said Monday. In one of the largest majorities seen in such a dispute, some 96 percent of cabin crews voting on the action opted for a strike, the Transport and General Workers Union said. No strike deadline was set. Cabin crew workers had claimed the airline pressured them to come to work even if they felt sick, the union said. A separate dispute focused on pension plans. British Airways officials issued a statement to decry what they described as an unnecessary strike. "We have not been seeking to achieve new ways of working by imposition, but by negotiation as in many other areas of our business," the airline's statement said. "The leaders of the (union's) cabin crew branch have created a worrying time for our customers and our staff."

China to reduce huge trade surplus

ANN/ CHINA DAILY

China will encourage imports and restrict exports this year in a bid to balance trade and ease the concerns of trading partners. "Cutting the huge trade surplus is the priority task for 2007," Commerce Minister Bo Xilai said yesterday. He made the remarks as China's trade surplus widened to a record \$177.5 billion in 2006, 74 percent higher than the \$101.88 billion in 2005. If it grows at the same rate this year, the trade surplus will mount to \$300 billion, which is "likely to transform an economic problem into a political one".

"The yawning surplus with the United States and the European Union has strained China's foreign trade environment, triggering more frequent trade friction," he said. Bo said an overly-large trade surplus is not good for China's sustained economic growth; therefore, the government will "decisively" reduce exports of high-energy-consuming and low-value-added products to restructure the sector. Last year, a package of industrial and taxation policies were implemented to rein in exports of energy-consuming products, in particular exports of processing trade, which contributed around half of the trade surplus but yielded slim profits.

First Security no more a problem bank

STAR BUSINESS REPORT

First Security Bank Ltd has come out from 'problem bank' status. The Bangladesh Bank (BB) on Monday cut the name of First Security Bank from the list of problem banks as the third generation bank has improved its capital and provision shortfall and management system, said a BB statement yesterday. Earlier in 2004, the central bank put the bank in such a list for its poor management and weak financial conditions. Sources said the First Security Bank improved after its new management injected fresh funds. S Alam Group took over the bank earlier. The private commercial bank will now be placed in the BB 'early warning system' (EWS) list, leaving three banks -- Oriental Bank Ltd, Social Investment Bank Ltd and Bangladesh Commerce Bank Ltd in the problem bank category.

India urges foreign firms to invest in hydrocarbons

OUR CORRESPONDENT, New Delhi

India invited yesterday foreign companies to invest in its hydrocarbon sector noting that a bulk of the country's oil and gas potential still remains 'locked up' in its basins. External Affairs Minister Pranab Mukherjee also underlined that 'redoubled and sustained' efforts are required to develop new, alternative and renewable sources of energy like nuclear and solar at an affordable cost. Inaugurating a conference of petroleum ministers of several countries here, he said, "bulk of oil and gas potential of the Indian basins still remains locked up". He said the India Hydrocarbon Vision-2025 lays down the framework for strengthening the hydrocarbon sector, with petroleum and natural gas being at the forefront for this. The policy has triggered a more definitive paradigm shift toward free market and competition, with increasing private sector and overseas participation in all important segments of the country's hydrocarbon sector, Mukherjee said. "Ever more areas and opportunities for investment, technology and entrepreneurship are now open for the global players as well as for India's own public and private sectors," the minister told the conclave.

Jail term sought for Hyundai chief

AP, Seoul

Prosecutors demanded a six-year prison term against Hyundai Motor Co. Chairman Chung Mong-koo for embezzlement and other charges Tuesday, adding to the woes of the largest South Korean automaker. Chung, 68, has been on trial since June on charges of illegally raising a slush fund from affiliates from which authorities say he spent 69.3 billion won (US\$74 million, euro57 million) for private and other purposes, including payments to lobbyists for government favours.



Pubali Bank Ltd (PBL) Chairman Hafiz Ahmed Majumder inaugurates the bank's ATM booth at Square Hospital in Dhaka recently. Square Hospital Managing Director Tapan Chowdhury and the bank's Managing Director Helal Ahmed Chowdhury were also present.

Graft costs Lanka billion dollars a year

AFP, Colombo

Kick-backs and crooked deals cost Sri Lanka over a billion dollars last year amounting to about a fifth of tax revenue, the country's top official whistle-blower told AFP in an interview. The head of the parliamentary Committee on Public Enterprises, or COPE, told AFP corruption and fraud runs deep in the main foreign investment promotion body and a state-agency involved in privatisation. COPE, which last year probed 26 of the 210 state enterprises, found fault with Sri Lanka's Central Bank too for not monitoring financial institutions properly and failing to recover large amounts due to the state. "As a result of these inefficiencies and corrupt deals, we estimate Sri Lanka may have lost in excess of 100 billion rupees (one billion dollars) last year alone," Legislator Wijeyadasa Rajapakse said Monday. The loss is about a fifth of government revenue and amounts to about four percent of the 24-billion dollar economy. He said he had discovered that

the Board of Investment (BOI) operated without a business plan and maintained records in an ad-hoc fashion. The BOI attempted to mislead parliament by submitting a "false document" under the pretext that it was their corporate plan, he said. There was no immediate comment from the BOI. Sri Lanka, is hoping to attract a billion dollars in investments this year, after securing 600 million dollars last year. But Rajapakse expressed doubts over the figures quoted and the manner in which investments are secured by the BOI. "We are not attracting top world-class companies, but people to open Chinese restaurants, massage parlours and karaoke clubs under the BOI banner. It's an insult to our country," he charged. According to COPE figures, BOI approved more than 2,800 firms to operate over the past 28 years, of which it had cancelled around 1,100 licenses. Rajapakse pulled up the Central Bank for not taking action against illegal finance companies. "We estimate over 20 finance companies are now illegally operat-

ing without a license, and the bank must take steps to stop it," he said. Privatisation of state assets had also failed to reap benefits though around 60 organisations were sold, generating over 65 million dollars in revenue, he added. "Privatisation has been stopped now, but what was done hardly brought in money to pay for five months of interest payments on our loans." He also found fault with the island's main child protection agency saying it had not utilised foreign aid properly to help children. The auditor-general last year found that only 13 percent of the 3.2 billion dollars in aid international donors had pledged to support Sri Lanka's tsunami recovery in December 2004 had been utilised. COPE also called for the replacement of the head of the Institute for Policy Studies, the country's top economic think-tank, who is seriously ill. "I personally represented him as a lawyer in a case where we proved that he was suffering from Alzheimer's disease and dementia," Rajapakse said.



Khalid Hasan, director (Regulatory & Corporate Affairs), Kafil HS Mueyed, director (New Business), and Mahboob Hossain, head of Corporate Sales of Grameenphone Ltd, jointly cut a cake to mark the inauguration of a Grameenphone Centre in Majidi Court, Noakhali recently.



Chairman of Gemini Sea Food Ltd Amina Ahmed presides over the 24th annual general meeting (AGM) of the company held recently in Khulna. Directors and managing director also attended the AGM, which approved a 25 percent dividend for the year 2005-06.