Star BUSINESS

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RELEASE OF GOODS FROM CTG PORT

No resolve to illegal charges

Allege importers, exporters

RAFIQ HASAN

The shipping agents and main line operators (MLOs) illegally demand various charges from exporters and importers of Bangladesh in addition to bill of lading (BoL) of cargo while releasing goods from Chittagong Port.

They demand such charges including charge for no objection certificate (NOC), status change charge, documentation charge and rate restoration charge (RRC) before issuing delivery order (DO), sources said.

Although there should not be any charge other than bill of lading, the exporters and importers have to pay around Tk15,000-20,000 for stuffing and releasing goods from each 20-foot container.

This charge is imposed in addition to customs duty and government-fixed charges.

The sources said the shipping agents demand around Tk14,000 rate restoration charge for each TEUs (twenty equivalent units) container before issuing delivery order. For issuing an NOC, they demand at least Tk 3,000.

The demand for such charges after bill of lading and pre-paid freight is totally illegal, shipping sources said.

The shipping agents are not issuing delivery order without getting those charges, delaying the cargo handling at the port and creating container congestion.

The sources added the Clearing and Forwarding (C&F) agents take the money from the businesspeople in different pretexts that also include other charges allegedly imposed by the shipping agents and port authority.

"When we go for releasing goods, the shipping agents demand Tk 3,000-Tk7,500 against each TEUs on various pretexts", said a C&F agent. The charge varies from one agent to another.

On the other hand, the port authority charges between Tk3,000 and Tk5,000 beyond receivable fees. The port authority sets up a number of tables for keeping records of consignment, number of containers and the agents have to pay Tk100-Tk200 at each table against each container, he alleged.

The government-fixed gang booking charge of labourers for loading and unloading goods is Tk 1,800, but the clearing agents have to pay another Tk 1,000 kickbacks for each gang.

According to this agent, the port authority is mainly responsible for disturbing the exporters and importers. Instead of stopping illegal charges, the authority itself imposes various fees beyond receivable ones, he alleged.

The Chittagong Port became most expensive port in the region because of such illogical charges and kickbacks at different points, said Amirul Haque, chairman of port and shipping standing committee of FBCCI.

He said these malpractices should be removed immediately for smooth functioning of the port. "We have informed the government about 'illegal' and 'illogical' charges on several occasions but never saw any effective measures from the government side in the last 15 years," he said.

The Chittagong Port Authority (CPA), however, in a recent letter asked the Shipping Agents Association to refrain from demanding such illegal charges.

The CPA also threatened to issue delivery order itself if the shipping agents do not comply with the order.

Meanwhile, a meeting of the commerce ministry in September last year decided that the importers and exporters would not pay any surcharge or illogical fees in case of freight on board export and import.

The C&F agents alleged a consignment, which is supposed to reach inland container depot (ICD) at Kamalapur, is often kept lying at the port yard by the shipping agents. Instead of sending the container to the ICD, the shipping agents charge additional charges as warehouse fees. Besides, the customs agents often have to bring the container from Chittagong to the ICD at their own initiative through paying extra bucks.

$3m ADB loan for capital market, ins sector

UNB, *Dhaka*

The Asian Development Bank (ADB) and the government signed yesterday a US$ 3 million loan agreement to improve governance in the capital market and insurance sector.

Economic Relation Division (ERD) Secretary Md Aminul Islam Bhuiyan and ADB Country Director Hua Du signed the agreement on behalf of their respective sides.

Visiting Director General of ADB's South Asia Department Kunio Senga was, among others, present on the occasion.

The project will help strengthen governance, regulation and supervision of the capital markets, boost the regulators' capacity and recommend increasing demand for and supply of securities by addressing the market gaps.

It will also support government-led reforms being pursued in the insurance sector, including a revamp of the insurance legislation and the establishment of a new regulatory authority based on international best practices.

Despite recent pickup, the capital market in Bangladesh remains underdeveloped with market capitalisation of only 7.5 percent of the GDP, Hua Du said.

"The assistance will help improve governance and reinforce investors' confidence in Bangladesh's financial markets," she said.

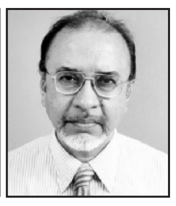
She hoped that with better governance and greater investors' participation, activities in the capital market and the insurance sector should be revived, and play a more significant role in mobilising long-term funds for infrastructure and industries, and for spurring economic growth.

The Finance Division of the finance ministry will implement the project.

PHOTO: MCCI

A 14-member delegation of Metropolitan Chamber of Commerce and Industry (MCCI), Dhaka, led by President of the chamber Latifur Rahman met Chief Adviser Dr Fakhruddin Ahmed at the latter's office in the capital yesterday. The delegation consisted, among others, of former presidents Syed Manzur Elahi and Samson H Chowdhury, Vice President Feroz Rahim and Secretary General CK Hyder. (Story on back page)

President



Secretary

Indo-Bangla chamber formed

India-Bangladesh Chamber of Commerce and Industry (IBCCI) has been formed recently.

Abdul Matlub Ahmed has been made president of the IBCCI while Shyamal Ghosh has been made secretary general and Abdul Wahed treasurer, says a press release.

The new chamber will be a milestone in the bilateral trade between India and Bangladesh. It will provide a forum for highlighting and addressing issues to improve trade. It will also effectively provide encouragement for increasing business and investment between the two countries, the release said.

The formal inauguration of the chamber will be held in March this year, the release added.

Adviser for quality exportable products

STAR BUSINESS REPORT

The industries adviser has underscored the need for planned steps to improve quality and standard of exportable products.

"The number of products are very few, we cannot go for diversification of exports, one of the reasons for which is lack of quality control and improvement in standard in conformity with global needs," Geeteara Safia Choudhury told a book launching ceremony organised by the Dhaka Chamber of Commerce and Industry (DCCI) yesterday.

She said, " Measures should be taken to ensure that the products and services offered to the customers cater to their needs and are reliable."

Pointing to the fact that it is very difficult to maintain costly manpower and infrastructure on a small business entrepreneur's part, the adviser said quality support services, infrastructure and cooperation from a regulatory body are very important to address such a problem.

Geeteara said the government is fully aware of the issue and has put its efforts on building the required infrastructure on its own and cooperation from development partners.

She also reminded the businesses that all management personnel must understand and agree that quality management is a sine qua non to attaining a long-term success in business.

Ambassador and Head of the European Commission Delegation Dr Stefan Frowein was present at the function, chaired by DCCI President Hossain Khaled.

The industries adviser unveiled the cover of Bangladesh version of the book 'Export Quality Management'. Along with DCCI, ITC, Geneva and European Union published the book.

The book has ten chapters with 100 questions along with references and web addresses to get additional information on the respective topic.

In his speech, the DCCI president proposed to translate the book for ensuring better acceptability to the micro level exporters.

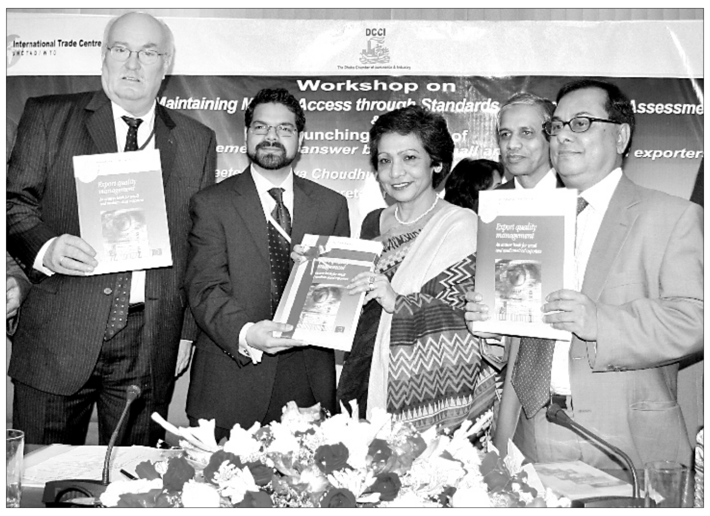


PHOTO: STAR

Industries Adviser Geeteara Safia Choudhury (3-L), Ambassador and Head of European Commission Delegation Dr Stefan Frowein (L) and DCCI President Hossain Khaled (2-L), among others, pose for photographs at a book launching ceremony yesterday.

More Australian investment sought

STAR BUSINESS REPORT

Bangladesh has sought more Australian investment with particular focus on gas, garments and agricultural sector, among others.

High Commissioner in Canberra M Humayun Kabir urged the business leaders of the state of Western Australia to come forward to this end when he met Deputy Chief Executive of the Western Australian Chamber of Commerce and Industry Ross McLean at the chamber Tuesday, according to a press release of the high commission.

The chamber leader said they are ready to assist Bangladesh in having more economic interactions with the state, including in the areas of skill-sharing.

Outlining the overall economic situation of the state, McLean said it has seen an extraordinary boom in recent years in the wake of growing global demand for natural resources.

"This phenomenal growth is also likely to generate new challenges, particularly in the form of skill and labour shortages."

In this context, he expressed the apprehension that skill shortage could, at a certain point, might act as a constraint to the overall economic growth in the state.

Taking a cue from his observations, the Bangladesh high commissioner said that Bangladesh could extend a useful hand in addressing the challenge of skill shortage in the state, among other things.

He told McLean that Bangladesh High Commission in Canberra is actively engaged with TAFE in various states with a view to training Bangladeshi semi-skilled and low-skilled workers so that they could qualify for the Australian labour market.

McLean welcomed the initiative and said his chamber would be happy to work with the potential workers to match their skills with market demand in various sectors of economy in Western Australia.

The Bangladesh high commissioner requested the chamber leaders to import more products from Bangladesh with a view to having balance in bilateral trade relationship between Bangladesh and Australia.

The Bangladesh envoy extended an invitation to McLean to visit Bangladesh, which was accepted.

Ian Whitaker, senior trade adviser for the chamber, was present during the meeting.

Earlier, the Bangladesh high commissioner met Director of International Market Development Division Brian Carew-Hopkins at the Department of Industry and Resources of the government of Western Australia.

During the discussion, the high commissioner briefed their delegation about the sustained economic growth in Bangladesh for the last 16 years and drew their attention to the growing interest of international business community to look at Bangladesh as a profitable destination for investment in various sectors.

Carew-Hopkins responded by saying that the government of Western Australia would also like to be a partner in this process and would encourage the business leaders for more economic interactions with Bangladesh.

SingTel's subscriber base in Asia-Pacific crosses 112m

AFP, *Singapore*

Singapore Telecommunications (SingTel) said Wednesday its subscriber base in the Asia Pacific exceeded 112 million at the end of last year, driven by strong growth in India and Indonesia.

SingTel, the largest mobile phone operator in Asia outside of China, registered a record 11.5 million new subscribers in the December 2006 quarter, driving the overall number of users to 112.28 million, it said in a statement.

Compared with a year ago, SingTel's mobile user base has grown 44 percent from 77.79 million and is up 11.4 percent from the end of September.

The strongest growth came from SingTel's mobile associates in India and Indonesia, the publicly listed company said.

DHL to launch brand campaign All the Way

DHL, one of the world's leading express and logistics companies, on Tuesday announced that it would launch a new branding initiative in the Asia Pacific to reinforce its market leadership in the region.

The new campaign 'All the Way' will highlight the company's key differentiators, pro-active attitude and service-oriented approach, according to a press release.

The campaign, expected to roll out simultaneously across all countries in the Asia Pacific in the first quarter of 2007, aims to reinforce DHL's tagline of going all the way.

It will be promoted through a combination of print and television advertisements, outdoor placements and the campaign's official website www.alltthewaydhl.com ,the release adds.

Lanka to hedge oil purchases

AFP, *Colombo*

Sri Lanka plans to stabilise its oil bill by hedging payments through several foreign banks, the government said Wednesday.

Import-dependent Sri Lanka forecast this year's oil bill will hit 1.8 billion dollars, after paying 2.1 billion dollars in 2006 due to the sharp rise in international crude prices.

Three foreign banks with local branches -- giants Citibank, Deutsche Bank and Standard Chartered Bank -- have been hired to hedge up to 25 percent of Sri Lanka's total oil purchases for a six month period.

Taiwan's silicon chipmaker to set up office in Bangladesh

OUR CORRESPONDENT, *New Delhi*

Taiwan-based silicon chipmaker VIA Technologies will set up its regional offices in Bangladesh and some other Saarc countries in the coming months to help boost its sales and marketing operations in the region.

"We have set up our regional office in India to further expand our business in the country and the Saarc region," VIA Technologies' Director (Channel Sales) Sanjay Peer said.

The company would also be setting up its regional centres in other Saarc (South Asian Association for Regional Cooperation) countries, including Bangladesh, Pakistan and Sri Lanka in the coming months, Peer said.

"We plan to open such centres in Dhaka, Karachi and Colombo as well," Peer said, adding that the centres would be set up by the yearend.

VIA is planning to strengthen its technical and brand presence also by way of strategic partnership and in talks with many Indian and international companies for this, he said.

The company at present sells its products in association with HCL, VXL and HP, among others.

PHOTO: COMMONWEALTH BUSINESS COUNCIL

Anwar Chowdhury (L), British high commissioner in Dhaka, poses for photograph with M Shoeb Chowdhury (C), Commonwealth Business Council (CBC) Bangladesh adviser, and Clifford Bebb, head of Trade and Investment of the high commission, as Shoeb Chowdhury paid a courtesy call on the British high commissioner recently. They discussed the events that the CBC holds across the globe to help exchange business and economic policies among the global business community. They also discussed the upcoming Bangladesh Forum under the CBC banner to be held in May in Dhaka.

China auto industry profits rise 46pc

ANN/ CHINA DAILY

Boosted by buoyant sales, China's auto sector reported a surprisingly sharp rebound in profits for 2006, according to industry reports, but the pace is predicted to slow this year.

Combined profits for the industry, including vehicles, engines, spare parts and motorcycles, jumped by 46 percent to 76.8 billion yuan last year, according to statistics from the China Association of Automobile Manufacturers.

The robust growth beat the estimates of most analysts, who predicted the sector's 2006 profits would rise about 20 percent.

Strong overall performance last year came after two consecutive years of profit decreases due to slowing sales, rising costs and heated price wars in the domestic car market.

Profits of the sector fell by 24.3 percent in 2005 and 5.2 percent in 2004.

Vehicle manufacturing, the top profit center for the entire auto sector, earned 34.2 billion yuan last year, a surge of 47.7 percent, according to the year- end report.

Song Bingshen, an analyst with CITIC China Securities Co, attributed the hefty profits last year to stronger-than-expected vehicle sales and record introduction of new models.

GSP Finance Co opens SME cell

GSP Finance Company (Bangladesh) Ltd has opened an SME (small and medium enterprise) cell under credit and marketing department, says a press release.

The cell will provide all sorts of SME-related advisory services and direct finances to acquire equipment and vehicles under loan or lease programmes for short-term and long-term tenure.

Md Ruknuzzaman, assistant general manager of the joint venture company, heads the cell.

Sensitive items import rises in India

ANN/ NEW DELHI

The total import of sensitive items for April-December 2006 has grown by 11.7 per cent, to touch Rs 14,472 crore as compared to Rs 12,959 crore during the corresponding period last fiscal.

The gross import of all commodities during same period of current year was pegged at Rs 5,98,287 crore as compared to Rs 4,64,866 crore during the same period last year, as per official data released here Tuesday.

Thus import of sensitive items constitute 2.8 per cent and 2.4 per cent of the gross imports during last year and current year respectively. Imports of fruits & vegetables (including nuts), cotton and silk, spices and tea and coffee have shown a decline at broad group level during the period.