

Star BUSINESS

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BANGLADESH'S EXPORTS TO EU Project unveiled to diversify products

STAR BUSINESS REPORT

A 31-month joint project was launched in Dhaka yesterday aiming to diversify the country's exports as well as enhance trade between Bangladesh and the European Union (EU).

The project activities include transfer of business expertise, assistance in providing specific EU-related consultancy to individual companies in Bangladesh and developing their capacities in dissemination of EU-related information, and strengthening sector-specific lobbying for development of quality products for export to EU countries.

The project styled 'Strengthening of Bangladeshi business organisations and entrepreneurs groups for doing business with the EU' was launched at the inaugural of 'Asia Invest Programme - Building EU-Asia Business Partnerships'.

Dhaka Chamber of Commerce and Industry (DCCI) and Chittagong Chamber of Commerce and Industry (CCCI) of Bangladesh, SEQUA of

Germany and Debelux Chamber of Foreign Trade of Belgium jointly organised the ceremony at the DCCI auditorium.

"The ultimate goal is to initiate joint ventures, business deals, transfer of technology and investment in the selected sectors of Bangladesh," said DCCI President Hossain Khaled at a press conference after the inaugural ceremony.

He said the specific sectors that will be involved in the project are jute and jute products, leather and leather products, frozen food, agro-products and gift items and handicrafts.

"Some five companies in each sector will be selected for participation in the project activities, matching programmes and exchange of visits in due course," he said.

The DCCI president said though Bangladesh's exports to the EU market have benefited from the preferential market access under its EBA (everything but arms) initiative, the country could not tap its full potential due to limited number of quality export products.

"There is an urgent need for export diversification and in order to diversify our exports to the EU, we need foreign direct investment, transfer of technology, technical know-how and market information regarding consumer's preference and appropriate quality and standard in EU," Khaled said.

"With the help of this project, we want to build capacity of business enterprises of Bangladesh to break into EU market with diversified quality goods at competitive prices of the selected sectors," he hoped.

Earlier, inaugurating the Asia Invest Programme, Additional Secretary of the Industries Ministry Dr Ayub Miah said the networking with the European partner organisations through this project would build the capacities of local companies, especially the small and medium enterprises, for better access to the EU market.

Among others, Nic Taylor, first secretary of the EU Delegation in Dhaka, and Jonas Ulrich, project director of Asia Invest Project, spoke at the inaugural ceremony.

Motor show ends on high

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The three-day motor show that began in Dhaka Thursday ended yesterday amid huge response from visitors.

Some 40,000 visitors went to the fair to be acquainted with different branded cars especially the mid-range ones, as the show provided them with an opportunity to see the automobiles of different prices under a single roof, the organisers said.

Many of the visitors made bookings for cars of different brands at the venue of the show at Bangladesh-China Friendship Conference Centre, according to the organisers.

The event also offered an opportunity to the visitors to have a firsthand experience about the new products and services in the automotive market.

Along with car dealers and distributors, financial institutions, which participated in the exposition, also received huge response from the visitors, as the institutions offered car loan facilities at the fair.

As many as 40 participants including distributors and dealers of cars and motorcycles, financial institutions, from home and abroad showcased their products and services at 200 stalls at the show.

Conference and Exhibition Management Services (Cems) Ltd organised the exposition styled 'EBL 2nd Dhaka Motor Show 2007'. Eastern Bank Ltd (EBL) was the main partner of the show while The Daily Star, ATN Bangla, the daily Jugantor and Radio Today were the media partners.

HSBC sees Bangladesh's good growth potential

Chairman Vincent HC Cheng tells *The Daily Star*

STAR REPORT

Vincent HC Cheng, chairman of the Hongkong and Shanghai Banking Corporation Limited (HSBC), looks at Bangladesh a good growth potential, not only organic, but also through acquisition.

"We are looking at organic growth here as we have seen success in such strategy. This is the core strategy for our Asia Pacific region too. But we will also be open to opportunities for growth through acquisition," he said, without elaborating if he has his eyes on any financial institution.

But Cheng, who has been with HSBC since 1978 and was a member of the Executive Council of the Hong Kong government, the highest policy making body, was on an upbeat about the future prospect of Bangladesh when he came here on his March 13-15 visit.

"We want to invest here and reinforce our commitment to develop Bangladesh. We would like to participate in economic development here," he said. His optimism comes also from the fact that HSBC has operations in 82 countries and is the largest bank in terms of asset.

"We can bring in foreign investment and new customers to Bangladesh," he suggested. "We are happy with our banking developments here, 10 years ago we started with one branch and 32 staff. Today we have eight branches and 660 staff. Now we want to grow as fast as possible. We will develop on our small and medium enterprise programmes and also expand across the board. We will put in more staff, investment and technology."

"We are very keen on Bangladesh because the country has clocked strong and sustained growth over the years, its GDP has grown at over 6 percent and export showed robust expansion. My presence here today reflects my bank's commitment to Bangladesh."



Infrastructure is one big area where Bangladesh should focus on, Cheng suggested. If one looks at the development of the emerging economies, it becomes clear that economic and infrastructure development are closely linked. China has a fantastic road and rail network that connects it to any part of the country and its development has been rapid, he pointed out.

"The recent move to improve the efficiency of the Chittagong port is a very good step in that direction of economic growth. But Bangladesh needs more efforts in infrastructure modernisation," he observed.

He said Bangladesh now needs to develop a strong brand worldwide. Hong Kong, Malaysia, Thailand – all have developed their own identity and Bangladesh also needs to build its own brand through taking right steps.

When asked about his comments on the recent banking trends in Bangladesh where deposit and credit have decreased, he talked of his experience during panic in Hong Kong when it went to China and during the East Asian crisis.

"Such trends are transitory," he said. "Big business houses were wiped out, but economy ultimately grew stronger. So, there is nothing to worry about the current situation. Bangladesh is still very competitive and it has a good base of human resources, which is a key to development."

Cheng said corporate social responsibility (CSR) plays a vital part in HSBC's strategy to bond relationship with a country and its people.

"The community is at the core of everything," he explained the vision for CSR. "HSBC has been involved in various programmes in education and environment. We closely scrutinise any investment proposal for environmental impact."

US, ROK confident of meeting FTA deadline

AFP, Washington

Ahead of a two-week deadline, the United States and South Korea expressed optimism Friday on crafting an ambitious free trade agreement as they prepared for the final stretch of tough negotiations.

"We've come a long way, we firmly believe we can get there by the end of March," chief US negotiator Wendy Cutler told a forum in Washington.

She said quality would not be sacrificed in the rush to complete the deal, the biggest free trade pact since the 1993 North American Free Trade Agreement (NAFTA).

"Let me say that it is not going to be just any deal. I believe we can achieve a high-quality, comprehensive and balanced deal that both (sides) can take home and get the necessary stakeholders' support to get through the respective legislative bodies," she said.

US President George W. Bush's powers to fast-track trade agreements expire in June.



PHOTO: UNITREND

Irish company Tullow's Country Director Gert Smulders, Energy Division Deputy Secretary Mahbubun Nahar and Petrobangla Secretary Golam Mostafa sign an agreement on behalf of their sides at a function on Wednesday in Dhaka. Under the deal, French oil giant TOTAL SA will take over 60 percent stake of the country's two gas blocks located at Cox's Bazar and its adjoining offshore areas from Tullow. Energy Adviser Tapan Chowdhury, Energy Secretary AMM Nasiruddin, Petrobangla Chairman Sk Rashid, TOTAL GAZ Vice Chairman Syed Mahmudul Huq, among others, were present at the signing ceremony.

Russian firms to explore oil, gas in Myanmar

XINHUA, Yangon

Two Russian oil companies will conduct oil and gas exploration and production in an inland area of Myanmar in cooperation with the state-run Myanmar Oil and Gas Enterprise (MOGE), sources with MOGE said Saturday.

The present block B-2 is among the six new inland blocks in the northern part and delta region which the Myanmarese authorities reserve for foreign engagement as most of the inland blocks are explored by the state. The five other inland blocks are -- A-1, B-1, O, P and Q, according to earlier local reports.

These blocks respectively lie in Kachin state's upper Chindwin River region and Hukawng Valley, and the Ayeyawaddy delta region.

There are seven foreign companies currently operating onshore which include Essar Oil Ltd., Focus Energy Ltd., MPRL Exploration and

Production Private Ltd., Goldpetrol, CNOOC, Sinopec Oil Company and Chinergy Assets, according to statistics.

Besides the onshore areas, Myanmar has abundance of natural gas resources in the offshore areas. With three main large offshore oil and gas fields and 19 onshore ones, Myanmar has proven recoverable

reserve of 18.012 trillion cubic feet (TCF) or 510 billion cubic-meters (BCM) out of 89.722 TCF or 2.54 trillion cubic-meters (TCM) estimated

reserve of offshore and onshore gas, experts said.

The country is also estimated to have 3.2 billion barrels of recoverable crude oil reserve, official statistics indicate.

Microsoft to reward search engine users

AFP, San Francisco

Microsoft on Friday began offering large businesses rewards if they have employees scour the Internet with the software giant's Live Search service.

In a move intended to wrest users from rival search engines such as market-dominating Google, Microsoft will give business customers service or training credits based on how much employees use Live Search.

"We are conducting a trial program through which Microsoft is providing service or training credits to a select number of enterprise customers based on the number of Web search queries conducted by their employees via Live Search," the Redmond, Washington, company said in a written statement.

"As search evolves into more of a productivity tool, and revenue sharing becomes more commonplace across the industry, we are engaging in mutually beneficial partnerships such as this and our recently announced deal with Lenovo to more easily enable customers to choose Live Search."

Police opened fire in Nandigram on Wednesday after farmers and political activists, many armed with sickles, attacked officers as they tried to enter an area earmarked for the park, officials said.

Microsoft announced a deal this month to pre-install software that makes Live.com the default page in computers made by the China-based Lenovo.

Google has a deal with US computer maker Dell to preload its search engine tool bar on that company's machines.

Microsoft would not disclose how the credits are calculated, saying it depended on the number of personal computers enrolled in the program and the amount of Live Search use.

Dubai ports complete sale of controversial US operations

AFP, Dubai

Dubai port operator DP World has completed the sale of its US operations, drawing the curtain on its controversial investment in the United States, the official WAM news agency reported Saturday.

The state-owned company said it has finalised on Friday a deal to sell its wholly owned subsidiary P O Ports North American (POPNA) to AIG Global Investment Group.

It did not disclose the price.

An Internet statement said the sale "fulfills the commitment made by DP World last year to sell its US assets to an American buyer."

DP World had acquired its US operations early last year through its 6.9 billion dollars acquisition of P O - a deal making it one of the world's largest port operators.



PHOTO: BFIC

The eighth annual general meeting (AGM) of Bangladesh Finance And Investment Company (BFIC) Ltd was held recently in Dhaka. Senior officials of the company, among others, were present at the AGM.

BFIC declares 15pc cash dividend

Bangladesh Finance And Investment Company (BFIC) Ltd has declared a 15 percent cash dividend for its shareholders for the financial year 2006-07.

The dividend was declared at the eighth annual general meeting (AGM) of the company held recently in Dhaka, says a press release.

Senior officials of the company, among others, were present at the AGM.