

Star BUSINESS

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KEEPING PRICES WITHIN COMMONERS' REACH Business leaders for lifting import duty on essentials

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Business leaders at a meeting yesterday urged the government to withdraw import and supplementary duties on some essential commodities to keep prices within the purchasing power of common people.

They said the government should remove the 5 percent import duty on lentil, onion, garlic and ginger as it had already done successfully with rice and wheat.

They also suggested that a specific import duty be introduced on products such as soybean, palm oil and powdered milk. A specific duty is a taka amount rather than a percentage of the import price and in other cases has resulted in a lower duty.

The business leaders made their comments at a discussion on essential prices and supply organised by the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) at its conference room in Dhaka.

Apart from cuts in duty they also suggested toll-free transportation of agricultural produce, encouraging cooperatives among small farmers, removing middlemen and allowing trucks to increase the load they can carry over the Jamuna Bridge to 15 tonnes from the current 12 tonnes.

The speakers urged the government to expand its sales outlets of rice and lentil at fair prices to district

level towns and also recommended the amendment of Hoarding Act, implementation of Consumer Protection Act.

Presided over by Acting President of FBCCI Mohammad Ali, the meeting was attended by, among others, Director General of Bangladesh Rifles (BDR) Major General Shakil Ahmed, Commerce Secretary Feroz Ahmed, and National Board of Revenue (NBR) Member Rashid-ul Ahsan and FBCCI former president Yusuf Abdullah Haroon.

Responding to demands on setting up sales outlets at the districts level, Shakil Ahmed said with private sector cooperation the BDR has set up sales outlets in the capital. "The sales outlets would be set up in the district level towns under public-private cooperation," he said.

He said the BDR's market intervention is temporary and they will give back the market control to the private sector after prices return to normal.

Shakil assured the business leaders of the removal of hidden business cost such as extortion as part of the effort to keep the essential prices normal.

He also said the BDR is trying to establish a co-operative system for the farmers so that the farmers can sell their produce to the consumers directly.

Addressing the function, Feroz Ahmed said in real sense there is no control in essentials price hike. "There should be a separate organisation, which will monitor and control the prices on a day-to-day basis. It will examine the local and international prices of the commodities and will take necessary steps against abnormal selling price comparing to international prices," he said.

To check food adulteration, the agency will collect samples of items from the market to examine their quality and purity, the commerce secretary said.

Rashid-ul Ahsan emphasised maintaining a secured supply-chain of essentials, as if there is any distortion in the supply-chain, the price will be up.

The commerce secretary, however, differed with the demand of withdrawing import duty saying that the duty removal would not help support the price reduction.

"It's a distorted market," he said, requesting the business community to keep the prices at an affordable level.

About increasing the number of wholesale markets, he said the government has a plan to set up six more markets in the capital.

Thailand keen to invest more

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Considering a congenial investment climate in Bangladesh, Thailand has expressed its keenness for more investment here.

A 15-member Thai delegation, led by Vittaya Praisutwan, executive adviser of Thai Investment Board, met Industries Adviser Geetara Safiya Choudhury at her office yesterday and expressed such interest, according to an official handout.

The adviser told them that there is ample scope for their investment in textile, ready made garments (RMG), sugar, food processing, tourism, automobile industries and many other sectors in Bangladesh.

She also thanked the delegation for Thailand's continuous cooperation in economic, commerce and many other sectors, hoping that the cooperation would be augmented in the coming days.

Chairman of the Thai-Bangladesh Business Council Mingpan Chayavichitsilp and Thai Ambassador in Dhaka Suphat Chitrakroh were also present during the meeting.

The Thai business team also had a meeting with the members of Dhaka Chamber of Commerce and Industry (DCCI) at the DCCI office on Monday, according to a press release. Dr Nitipon Navaratna, a member of Thai Legislative Assembly, headed the visiting team. DCCI President Hossain Khaled chaired the meeting.

The DCCI chief said Bangladesh has liberalised its macro-economic policies and opened almost all sectors of the economy, including energy, power, telecommunications and infrastructure to foreign direct investment (FDI). As a result, it is

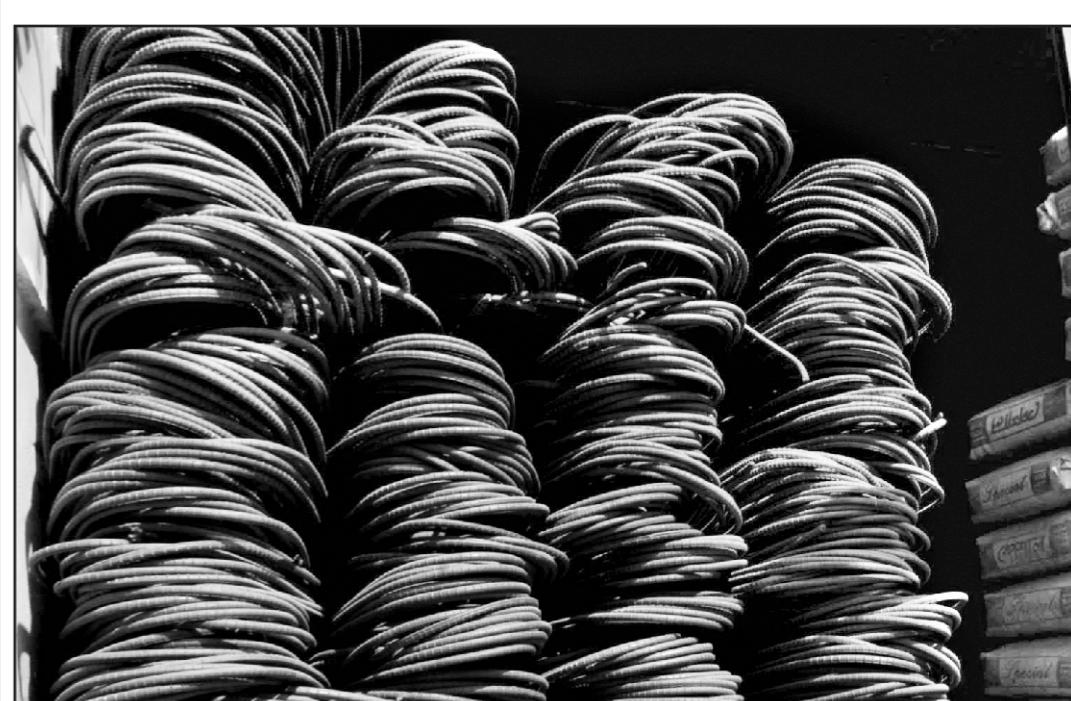
now one of the attractive destinations for FDI, he added.

He proposed for commissioning a Joint Study for identifying common interests and comparative advantages to prioritise activity plan with an objective to raise at least 10 percent increase in trade and business between Bangladesh and Thailand by the year 2008.

The Thai delegation leader told the meeting that the investors of their country are interested to relocate their industrial plants in Bangladesh.

Among others, DCCI former president MAMomen, directors KM H Shahidul Haque and M Salem Solaiman along with other business leaders took part in the discussion.

Metal rod price surges Tk 2,500 a tonne REHAB concerned



Cairn Energy drills \$82m loss

AFP, London

British oil firm Cairn Energy said on Tuesday that it dived into the red in 2006 with a net loss of 82 million dollars after downgrading energy reserves estimates at its Sangu field in Bangladesh.

The loss, which was equivalent to 61.5 million euros, compared with profits of 79 million dollars in 2005, Cairn Energy said in its earnings statement.

Revenue climbed nine percent to 286.3 million dollars, but total production sank 13.0 percent to 24,523 barrels of oil equivalent per day. "The group made a loss after tax of 82.0 million dollars, mainly due to the exceptional oil and gas write down of 71.5 million dollars as a result of the downward reserves revision on Sangu," Cairn said.

The Sangu field, offshore of southern Bangladesh, has been hit by falling output and drilling delays.

Cairn said on Tuesday that the total asset write-down relating to Sangu now stood at 213 billion standard cubic feet (6.39 billion cubic metres), compared with an earlier estimate of 187 billion that was given in January.

Estimated reserves at Sangu stood at 116 billion standard cubic feet. That was about 5.0 percent of Cairn's total booked reserves for 2006 compared with 6.0 percent previously.

Booked reserves refers to the amount of oil which a company believes it can recover from the ground.

New executive body of pharma industries assoc



SM Shafiuuzzaman Nazmul Hassan

SM Shafiuuzzaman, managing director of Hudson Pharmaceuticals Ltd, and Nazmul Hassan, chief executive officer of Beximco Pharmaceuticals Ltd, have been reelected president and secretary general of Bangladesh Association of Pharmaceutical Industries.

Besides, Syed S Kaiser Kabir, managing director of Renata Ltd, has been elected treasurer of the 15-member executive committee of the association for 2007-2008 and 2008-2009, says a press release.

They were elected at the 36th annual general meeting of the association held yesterday in Dhaka.

Samsun H Chowdhury, chairman of Square Pharmaceuticals Ltd, Mizanur Rahman Sinha, managing director of The Acme Laboratories Ltd, and Momenul Haq, managing director of General Pharmaceuticals Ltd, have been reelected members of the advisory committee of the association.

Mutual Trust Bank's new DMD



Quamrul Islam Chowdhury has recently been made deputy managing director of Mutual Trust Bank Ltd, says a press release.

Prior to this assignment, he was the senior executive vice president of the same bank.

Quamrul joined the bank in 1999 as senior vice president.

and re-rolling mill owners to discuss the situation, said Md Abdul Awal, president of REHAB.

Some developers urged the government to build a monitoring cell to watch the price of scrap in the international market and its effect in domestic markets. They also suggested that the government take effective measures so that the construction materials market does not fall prey to price syndicates.

Real estate developers said generally the construction work reaches its peak between March and June due to the easy availability of brick during this time.

This year is different however as potential apartment buyers and builders appear scared to invest large sums of money due to the prevailing political situation, said SM Anwar Hossain, chairman of Advanced Development Technologies Ltd, and vice president of Real Estate and Housing Association of Bangladesh (REHAB).

SoftExpo2007 begins today

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A five-day exposition of IT and IT-enabled services styled 'SoftExpo2007' begins today at Bangladesh-China Friendship Conference Centre in Dhaka.

Science and ICT Adviser Tapan Chowdhury is scheduled to inaugurate the show, which will be participated by 125 local ICT (information and communication technology) companies.

The fair is being organised as part of the regular yearly event of Bangladesh Association of Software and Information Services (BASIS), said President of the association Sarwar Alam at a press conference in the capital yesterday.

Open for all between 10am and 8pm everyday with an entry fee of Tk20, the event will showcase software, IT solutions and services, multimedia and animation, e-commerce and job portals, internet and data communication services, telecoms services, and high-end hardware, Alam said.

On the sidelines of the fair, 12 seminars and roundtables, participated by IT specialists, will be organised while BASIS will give 'Best IT Award 2007' on the last day of the show. Industries Adviser Geetara Safiya Choudhury is expected to be present at the award giving ceremony.

Cellphone operator AKTEL is the main sponsor of the event while Microsoft Bangladesh and Business Promotion Council of commerce ministry are the co-sponsors. The Daily Star, Channel i and Radio Today are the media partners.

Treasurer of BASIS Fahim Mashroor and senior officials of AKTEL, among others, spoke at the press conference.

UN sanctions won't affect economy

Says Iran's central bank

AFP, Kuala Lumpur

Iran's central bank governor Ebrahim Sheibany Tuesday described fresh sanctions imposed by the United Nations as only "symbolic" and said they would not affect the country's economy.

"It has no effect because it is not related to our economy," Sheibany told AFP on the sidelines of an Islamic finance forum here.

"That refers only to some symbolic things like, for example, they are putting some sanctions over arms to other countries," he said.

The United Nations Security Council on Saturday imposed new economic and trade sanctions on Iran after the country ignored repeated ultimatums to suspend uranium enrichment.



PHOTO: STAR

French Ambassador in Dhaka Jacques-Andre Costilhes speaks at the annual general meeting of France-Bangladesh Chamber of Commerce and Industry in the capital yesterday. Chamber President Sayeed Farhad Ahmed, among others, was present.

IT SECTOR

Bangladesh a potential outsourcing destination

French businesses consider

STAR BUSINESS REPORT

French businesses are seriously considering Bangladesh as an outsourcing location for the IT sector, the annual general meeting of the France-Bangladesh Chamber of Commerce and Industry was told yesterday.

Chamber president Sayeed Farhad Ahmed said French businessmen see Bangladesh as a potential outsourcing destination for software and other information technology based products, especially web development and graphic design.

He urged businessmen to take

advantage of this opportunity. However not all businessmen attending the meeting were so enthusiastic about French-Bangladeshi trade relations. Shamson H Chowdhury expressed his dissatisfaction about the way France treated the transfer of technology on pharmaceutical products and ceramic goods to Bangladesh.

Sophie Clavelier Khan, an official of the French Embassy, countered his criticism, saying that a French pharmaceutical company had agreed to talk with Bangladeshi businessmen about the issue.

French ambassador Jacques-Andre Costilhes told the meeting that a gala exhibition of Bangladeshi antique collections would be held in Paris soon. The exhibition will showcase Bangladeshi artworks, he said, adding that a cultural, photo and cinema festival and a fashion show will also be held.

The French-Bangladesh Chamber of Commerce and Industry started its journey in July 2000 with the aim of promoting trade, commerce, business and industrial relations between France and Bangladesh.

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PHOTO: STAR

Sarwar Alam, president of Bangladesh Association of Software and Information Services, speaks at a press conference in Dhaka yesterday to announce the schedule of a five-day IT exposition styled 'SoftExpo2007' that begins in the capital today.