

# Star BUSINESS

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## New BTTB chairman



Anwarul Azim has taken over as the new chairman of Bangladesh Telegraph and Telephone Board (BTTB) with effect from May 3, 2007.

Prior to this assignment, he was the member of Planning & Development of BTTB, says a press release.

Azim started his career as an assistant divisional engineer of the then T&T Department in 1977. He held many important positions during his career.

## New MD of Mutual Trust Bank



Kazi Shafiqur Rahman has been appointed as the managing director of Mutual Trust Bank Ltd (MTB), says a press release.

Prior to joining MTB, Rahman was an additional managing director of NCC Bank Ltd.

During his long banking career since 1973, Rahman served Janata Bank in various positions.

## Bangladesh Commerce Bank gets new MD



Mohammad Farhad Hossain has recently been appointed as the managing director (MD) of Bangladesh Commerce Bank Ltd (BCBL), says a press release.

Prior to joining BCBL, he served as the MD of Rupali Bank Ltd and Bangladesh Shilpa Rin Sangstha.

During his 27-year long banking career, Mohammad Hossain also served Sonali Bank, Bangladesh Krishi Bank and Rajshahi Krishi Unnayan Bank in various positions.

## Indian tourists more valuable to London than Japanese

AFP, London

Indian tourists to London in 2006 spent more than their Japanese counterparts for the first time, according to data released by the agency responsible for promoting London to visitors.

The Guardian daily reported on Monday that according to Visit London, the 212,000 Indian tourists who visited the capital last year spent 139 million pounds (204 million euros, 277 million dollars), compared with 107 million pounds in 2005, and 78 million pounds in 2003.

The number of Indians who visited London also rose in that time, from 130,000 in 2003.

By contrast, 230,000 Japanese tourists visited London last year, spending 127 million pounds. The number of visitors was down from 434,000 in 2000.

Overall, a record number of tourists -- more than 15 million, a 9.4 percent increase on the year before -- came to the British capital last year and spent 7.5 billion pounds.

## CARGO HANDLING

# Stevedoring system at Ctg port goes from May 16

STAFF CORRESPONDENT, Ctg

The authorities at a meeting here yesterday decided to introduce single-point operation system at the Chittagong port replacing the old fashioned stevedoring system.

The new system would come into effect from May 16. However, it will be on experimental basis until berth operators are engaged through open tenders after necessary amendment to the related rules, according to sources.

Under the single-point operation, berth operators, instead of previous workers and employees of three categories, would handle operation of cargo at all the 13 jetties of the port.

The meeting held among Chittagong Port Authority (CPA),

port users and other concerned in presence of representatives from joint-forces also formed a committee to work out modus-operandi for the new system.

The committee headed by CPA Director (security and traffic) Lt Col Feroz Ahmed would also have representation from Chittagong Chamber of Commerce and Industry (CCCI) and Bangladesh Masters Stevedores Association (BMSA) among others.

The port users and related quarters believed that side by side with speeding up and easing the process of cargo handling and delivery, the new system would also protect importers from the harassment and financial losses they suffered in the stevedoring system.

Earlier, under the stevedoring system loading-unloading and stuffing of containers and cargoes at a vessel were done by dock workers.

These workers were neither appointed nor controlled by the stevedoring agents, whom the concerned C&F agents on behalf of their shippers entrust with the responsibility of handling their imported cargoes.

Earlier, the handling operation was delayed due to lack of coordination among the three categories of workers and stevedoring staffs, which very often led to serious congestion of containers.

As per the decision taken yesterday, twelve berth operators would be working at the 13 jetties of the port from May 16.

# Japan, India agree to seek change to WTO farm trade proposal

AFP, Tokyo

Japan and India agreed Monday to seek change to a recent World Trade Organisation proposal on farm trade because it "lacked balance," Japanese officials said.

The agreement was reached in a telephone conversation between Japanese Agriculture Minister Toshikatsu Matsuoka and Indian Minister of Commerce and Industry Kamal Nath, the officials said.

The proposal last week by Crawford Falconer, the chairman of the WTO's special committee on agriculture, said in part that the number of "sensitive" products that would be excluded from drastic tariff cuts should be limited to no more than five percent of the total.

Rice in Japan belongs to the

sensitive category.

The two ministers agreed that the proposal "lacked balance" in that it was tough on certain WTO members, the officials said.

Matsuoka told Nath that the proposal presented tough terms on which Japan was to liberalise farm trade while it offered relatively soft terms to the United States for slashing its farm subsidies, according to the officials.

He was quoted as proposing to Nath that they "continue acting together on the matter."

Nath said India was prepared to issue a statement in WTO talks that the proposal was unfair for developing nations and unbalanced, the officials said.

As for the percentage of farm trade items exempted from drastic

tariff cuts, Japan wants a level of between 10 and 15 percent, while the United States wants no more than one percent and the European Union hopes for eight percent.

On the other hand, Falconer called on the United States to cut trade distorting domestic support to below 19 billion dollars per year in an attempt to revitalise moribund world trade liberalisation talks.

Agriculture has been a key stumbling block in the WTO's Doha round of trade negotiations, which were launched in the Qatari capital in 2001.

The US and EU have engaged in bitter arguments over the subject, with Brussels demanding more reductions in US farm subsidies and Washington insisting that proposed European tariff cuts do not go far enough.

## FRUITS OF GLOBALISATION

# G8 labour ministers seek guarantee of social minimums

AFP, Berlin

G8 labour and employment ministers began a summit on Sunday in the east German city of Dresden aiming to agree on ways to ensure a fairer distribution of the fruits of globalisation.

The German presidency of the EU and of the G8 -- the seven most

industrialised nations plus Russia -- wants to secure a guarantee of social minimums and agree on strategies for more and better jobs and improving social protection in developed and developing countries.

The summit, running until Tuesday, is being attended by representatives from the EU

Commission, the International Labour Organisation, the Organisation for Economic Cooperation and Development (OECD), civil society and the World Bank.

The participants hope to agree on a statement to send to a summit of G8 leaders in Heiligendamm in northern Germany on June 6-8.



PHOTO: ISLAMI BANK BANGLADESH

Mohammad Abdul Mannan, deputy executive president and head of International Banking Wing of Islami Bank Bangladesh Ltd, and Abbas Darwish Lari, chairman of Lari Exchange Establishment of Abu Dhabi, exchange documents after signing an instant cash arrangement agreement recently in UAE. Under the deal, Bangladeshi expatriates in United Arab Emirates will be able to send their money home through the branches of the bank. Senior officials from both the sides were also present.

## Grameenphone MD visits DSE

STAR BUSINESS REPORT

The managing director of Grameenphone, Erik Aas, yesterday visited the Dhaka Stock Exchange (DSE) as speculation grows as to when Bangladesh's largest mobile will list on the bourse.

In April, Telenor, the main shareholder in Grameenphone, expressed its desire to publicly list the company.

In a statement Telenor's chief executive Fredrik Baksaas said: "Public listing will bring more Bangladeshi ownership into Grameenphone.....We think it is important that the people of Bangladesh and all the customers of Grameenphone can become owners of this successful company."

Telenor, the Norwegian telecom operator, owns 62 percent of Grameenphone, and Grameen Telecom Corporation 38 percent. However as yet there is no agreement between the two owners as to whether the shares in the company should be floated, and if they are, how it should be done.

Yesterday a Grameenphone spokesman said that the visit of Erik Aas to the stock exchange was not connected with a possible listing of the company. He said: "It was purely a fact finding mission to learn about DSE operations."

Talking to The Daily Star, DSE Chief Executive Officer Salahuddin Ahmed Khan said he told the Grameenphone managing director that the market wants big companies like Grameenphone to list on the country's stock exchanges by offloading shares to the public. "We also assured him that the DSE authority will provide all necessary support to Grameenphone in this regard," he said.

Last week Telenor released its quarterly report, which showed that growth at Grameenphone had slowed slightly in the three months of 2007, due to increased competition in the Bangladesh mobile market and reductions in the cost of calls.

Grameenphone added 1.4 million subscribers during the three months to March 31 but its market share declined by 2 percentage points to 61 percent, compared to the previous three months.

Average revenue per user (ARPU) fell by 28 percent primarily due to decreasing average prices. Measured in local currency, total revenues increased by 33 percent mainly due to subscription growth.

## Global shoemakers hoof it to Asia

ANN/ VIET NAM NEWS

The footwear industry has a major opportunity to build exports and promote its position in the world market, said Nguyen Thi Thanh Xuan, deputy secretary of the Leather Footwear Producers Association (Lefaso).

The opportunity has come as international shoe companies shift production from developed nations to developing countries. Xuan said, a movement that has already made Asia a top footwear supplier to major markets all over the world.

Asia produced 63 per cent of the world's shoes in 1993, Xuan noted, a figure that had increased to 74.6 per cent by 2002 and 76 per cent by 2006. India, China, Thailand and Viet Nam have become the biggest producers.

Developed nations' share of the world's footwear industry has fallen accordingly, from 16 per cent in 1980 to 10.2 per cent in 1995 and around 8 per cent in 2006. Experts estimated that only about 20 per cent of footwear products sold in developed countries were domestically made.

Last year, footwear saw export turnover increase by 16 per cent, reaching US\$3.65 billion. Exports to the US market grew to \$800 million, fuelling high hopes for the industry, which has begun to outline strategies to further infiltrate major markets such as the EU, US and Japan.

Footwear exports in the first four months of this year were worth an estimated US\$1.2 billion, a year-on-year increase of 11 per cent, the Ministry of Industry announced.

April exports were an estimated \$300 million. Sneakers accounted for 70 per cent of that total, followed by dress shoes and canvas footwear.

But the Vietnamese footwear industry has faced some difficulties caused by an anti-dumping suit in the EU and a resulting decline in leather shoe exports to the European market.

# Rural businesses, farmers hit by lack of finance

## Says study

STAR BUSINESS REPORT

Small businesses and farmers are unable to fully develop in rural areas due to the lack of access to finance, a study claims.

Moreover, while banks are keen to collect deposits in rural areas they are less willing to lend. For every taka deposited or collected in rural areas by banks, only half of this amount is lent there, the study revealed.

The joint study 'Access to Rural Finance' was conducted by Bangladesh government, the World Bank and the UK's Department for International Development (DFID).

It found that bank lending to agriculture and rural small businesses has been decreasing significantly in recent years.

This shortfall was not being made up for by microcredit, as small enterprises and small and medium farmers are not traditionally microcredit clients.

Bangladesh Bank and World Bank last week jointly organised a seminar on the study and highlighted examples of countries where banks had been able to increase lending in rural areas.

The study also examined the role of Bangladesh's financial

institutions, including state-owned Bangladesh Krishi Bank (BKB) and Rajshahi Krishi Unnayan Bank (RAKUB), commercial banks and microfinance institutions.

The study found that while the two agricultural banks provide limited services to the agricultural sector, their outreach is seriously constrained by 'very weak financial performance.'

In addition, the two banks act as 'insurer' of last resort on behalf of the government, by waiving principal and interest in times of natural calamities.

Private commercial banks do not serve rural areas partly due to their limited branch networks and partly because their products and procedures are not suitable for small transactions.

In a separate workshop that also looked at financial services in rural areas, jointly organised by Palli Karma Sahayak Foundation (PKSF) and the World Bank, the prospect of introducing index-based weather insurance in Bangladesh was explored.

Bangladesh has no agricultural insurance scheme as the government-funded crop insurance scheme in the mid-80s was stopped due to heavy losses.

## Standard Bank approves 20pc stock dividend

Standard Bank Ltd has approved a 20 percent stock dividend for its shareholders for the year 2006.

The approval came at the eighth annual general meeting (AGM) of the bank held recently in Dhaka, says a press release.

Chairman of the bank Kazi Akramuddin Ahmed presided over the AGM, which was also attended by directors, managing director and other senior officials.

Besides, the 25th extra-ordinary general meeting of the bank approved right share at the rate of 2:1 at par to the existing shareholders in order to increase the bank's paid-up capital to Tk200 crore by 2007.

## Singer launches LCD TV

Singer Bangladesh Ltd has launched a 32-inch LCD (liquid crystal display) television in the local market, says a press release.

The main features of the new product include lower electricity consumption and flat panel shape.

It also comes with PC connectivity, high-resolution picture at 1366X768 pixels and AV stereo system. Singer says it would offer one-year guarantee for parts and after sales service for the customers of the LCD television, the release adds.



PHOTO: STANDARD BANK

The eighth annual general meeting (AGM) of Standard Bank Ltd was held recently in Dhaka. Chairman of the bank Kazi Akramuddin Ahmed presided over the AGM, which was also attended by directors, managing director and other senior officials.