

Star BUSINESS

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Indian plastic granules plant in Ishwardi EPZ soon

UNB, Dhaka

Indian company M/s Eco Polymers Limited will set up a plastic granules manufacturing industry in the Ishwardi Export Processing Zone with an investment of US\$ 10.691 million.

The 100 percent foreign owned company, a sister concern of Indian Kalani Group of Industries, will manufacture 8,000 tonnes of PP compound (plastic granules) annually.

The company will create employment opportunity for 287 Bangladeshis and 6 foreign nationals.

An agreement, to this effect, was signed between the Bangladesh Export Processing Zones Authority (Bepza) and the M/s Eco Polymers Ltd yesterday.

Prasanta Bhushan Barua, member (Investment Promotion) of Bepza, and Umesh Dwivedi, managing director of Eco Polymers Limited, signed the lease agreement on behalf of their respective organisations, said a press release.

StanChart takes over banking operation at US embassy

Standard Chartered Bank took over the banking operation booth of US Embassy in Dhaka Thursday, says a press release.

The takeover will give US embassy in Dhaka access to wide range of consumer and wholesale banking products of Standard Chartered Bank.

Standard Chartered Bank offers specialised services to major bilateral / multilateral organisations in the country and the takeover shows the bank's commitment to this sector.

Geeta Pasi, charg   d'affaires of Embassy of the United States of America, and Osman Morad, CEO of Standard Chartered Bank Bangladesh, inaugurated the bank booth at US Embassy.

Calvin D. Levo, acting management counselor of Embassy of the United States of America, and Ahmed A. Shah, head of Client Relationships, and Tanvir Hyder Chaudhury, head of Shared Distribution of Standard Chartered Bank, were also present.

Banglalink launches voice dialing service

Banglalink has launched a new service to provide its subscribers with various value-added services through voice dialing, says a press release.

"Simply dial 4848 and say what you want" is the core idea behind the service. Customers need to dial 4848 from their banglalink numbers and say with an absolute clear voice the particular service they want either in English or Bangla to get the desired service instantly.

This service will be arranged through Speech Recognition and DTMF (Duel Tone Multi Frequency). Services to be offered at the primary stage include ring tone, news, horoscope, women special, cricket, greeting and many more.

Subscribers may enjoy this service without any new registration. However, they will be charged Tk 5 for browsing and Tk 9 per minute (without VAT) for downloading any ring tone.

Sony Ericsson unveils new handsets for local market

Mobile handset manufacturer Sony Ericsson yesterday formally launched four new handsets in local market.

The new handsets are K200i, K220i, J110i and J120i, says a press release.

Of the four new models, K220i includes both camera and FM radio features with an initial market price of Tk 6,380 while K200i, featured with camera facility, will cost Tk 5,825.

J120i, which also comes with FM radio, costs Tk 3,999 and J110i Tk 3,649.

FDI alone cannot play lead role in growth

Finance adviser says

STAR BUSINESS REPORT

Foreign direct investment (FDI) alone cannot play a lead role in a country's growth, finance and planning adviser said yesterday.

"FDI might in some cases accelerate the growth, but it rarely leads the growth," Dr Mirza Azizul Islam told a launching ceremony of the book 'South Asia: Growth & Regional Integration', a joint publication of the World Bank and Macmillan Ltd, held in Dhaka.

"But, it does not mean that I am opposing FDI, I am very much in favour of FDI," he asserted.

Citing examples of Hong Kong and Singapore whose FDI-GDP ratio were 16 percent and 29 percent during 1991 to 1996, he said in the case of other Asian countries the ratio was less or more than 1 percent.

The FDI-GDP ratio in India is less than 1 percent, while the ratio is 2.4 percent in Taiwan and 3.7 percent in Thailand, he cited.

The finance adviser said rising relative inequality in the South Asian region is a threat to its growth and stability.

"Relative inequalities might result in social destabilisation," said Mirza Aziz, adding that when globalisation has proceeded and countries liberalised, relative inequality also marked a rise.

He, however, advocated for being part of globalisation and liberalisation.

The adviser lamented that considerable political mistrust among the Saarc member coun-

tries remains a major constraint for regional integration.

Besides, he said, the large size of India in terms of economy, gross domestic product (GDP), population and land is another constraint for regional integrity.

India has a dominant presence in the region that might create an asymmetrical situation in integration, Mirza Aziz said citing the European Union, of which all countries are comparable or similar in size.

"Due to large size of India, there is always a suspicion that India might get more benefits from regional cooperation," he said, adding that it should be ascertained how the regional cooperation can be beneficial for all. "But, it is not an easy task," he observed.

Commenting on the newly launched book, former adviser Dr Akbar Ali Khan said it missed the poverty issue, which is much talked about in the region.

Farooq Sobhan, president of Bangladesh Enterprise Institute, urged the World Bank to play a supportive role for capacity building in key regional institutions, such as Saarc Secretariat, formulation of a Saarc documentation centre for channeling information among the member countries, and setting up a Saarc energy authority for energy cooperation in the region.

Among others, World Bank Country Director Xian Zhu spoke at the function, while Sadiq Ahmed, director, Poverty and Finance, South Asia Region, World Bank, focused on some features of the

book.

According to the book's overview, integration within the South Asian region remained very limited when it made significant progress in integrating with the global economy.

Intra-regional trade as a share of total trade is the lowest for South Asia despite having common cultural affinity and geography among the countries in the region, the overview said.

Despite progress in trade liberalisation, South Asia is the least integrated region in the world due to various types of restrictions on movements of goods and services, it remarked.

However, it said, focusing on regional trade alone will not generate the beneficial productivity and growth effects of integration.

The overview said South Asia has made significant progress in implementing the first-generation policy reforms. Increasingly, South Asia faces the challenges of second-generation policy reforms, which have become the key downside risks to growth, including high cost of doing business, weak institutions, weak knowledge economy and weak infrastructure.

Increasing investment rates will require reducing costs of doing business, improving institutional capacities and addressing infrastructure constraint. South Asia also needs to expand its knowledge economy to raise the productivity of investment, it said.

World Chambers Competition Award for DCCI

The Dhaka Chamber of Commerce & Industry (DCCI) has achieved "2007 World Chambers Competition" Award in the category of Best Skills Development Programme organised by World Chambers Federation-ICC's Specialised Division for Chamber Affairs in association with the Union of Chamber & Commodity Exchanges of Turkey (TOBB). The competition was held in Istanbul, Turkey during 5th World Chambers Congress July 4-7, says a press release. 2007.

The announcement of winning was made on Friday by Marcus Wallenberg, Chairman, International Chamber of Commerce (ICC). Rona Yircali, Chair, ICC World Chambers Federation was present. Hossain Khaled, president, DCCI, received the award on behalf of the chamber from the ICC chairman.

The World Chambers Federation received 58 applications from 38 countries for giving the award.

GP launches missed call alert service

UNB, Dhaka

Grameenphone Ltd has launched a new helpful service called 'Missed Call Alert' for all of its 'smile', 'xplore' and Business Solutions subscribers.

Missed Call Alert will notify subscribers through SMS about all the calls made to them when mobile phone is unreachable.

The alert notifies registered subscribers when they were unreachable: such as when the handset is switched off, out of network coverage or when the handset battery has been exhausted.

When subscribes switch on their mobile phones, they will receive notification of all missed calls, via SMS.

To subscribe to this service the GP subscribers have to type "on" and send an SMS to 6222. To unsubscribe the service, subscribers have to type "Off" and send an SMS to the same number.

All Grameenphone 'smile', 'xplore' and Business Solutions subscribers will be able to use this service, a Grameenphone press release said.

Bangladesh needs to make strategy to woo investment in power, transportation

Says Siemens head of Asia-Australia

MD HASAN

Bangladesh needs to formulate a long-term strategy for power and transportation sectors to attract more investment, says Prof Dr Klaus Wucherer, head of Asia-Australia operations and member of the Siemens AG corporate executive committee.

"Bangladesh now is on a track in terms of economic growth. And the country has to make a clear strategy to woo more technologies for power generation and transportation," Wucherer told The Daily Star in an interview on Saturday in Dhaka.

"Modern technology is the only way to ensure electricity to the growing industrial sector," he added.

Wucherer, who was in Dhaka to celebrate the 50 years of operations of Siemens in Bangladesh, said Bangladesh's present business environment is much more stable now.

Wucherer, who has been serving Siemens since 1970, also said Bangladesh is a very important for business because of its location and population size.

Siemens started its journey in Bangladesh in 1956 when the company delivered the first X-ray machines in the country and also established the first telecommunications systems.

Most of the business segments of Siemens worldwide are active in Bangladesh.

Founded 160 years ago, Siemens focuses on the areas of communications system, power generation, transmission and distribution, industrial automation and control, medical solutions, transportation and automotive, water technologies, building technologies and home appliances.

Wucherer said Siemens wants to enhance its involvement in Bangladesh's power and transportation sectors in the coming days. However, he said Bangladesh needs to attract more investment in the two sectors.

About Siemens experience in Bangladesh over the last 50 years, Wucherer said problem is very common phenomenon in carrying out business everywhere in the world. "When we are in problem in Bangladesh, we try to solve it with the help of the country's people. Our idea is to go ahead and overcome the problems," he said.



Dr Klaus Wucherer

In 2006, Siemens supplied medical equipment worth \$1billion to Bangladesh. Terming the achievement outstanding, he said, "We enjoy 50 percent market share in Bangladesh's medical equipment business."

Wucherer, who completed his study in electrical and mechanical engineering, believes higher education in technology and new ideas can help a nation.

He said, "Our future plan is very clear in Bangladesh. Along with expanding our other business activities, we want to educate the people of the country."

And as part of the plan, Siemens on Saturday announced 'Werner Von Siemens Excellence Award'-- annual awards for university-level students in Bangladesh.

The awards will be given once a year to three best groups of university students for their outstanding contribution or innovation in electrical and electronics.

With an annual business volume of approximately 153 million euros and a workforce of more than 200 employees, Siemens is the largest German investment company in Bangladesh.

Thai stocks shrug off political woes

AFP, Bangkok

Over the last year, Thailand has suffered a coup, deadly bomb blasts in Bangkok, and a bloody spike in violence in a long-running separatist insurgency.

But the stock market doesn't seem to care.

Last week, as the country marked 10 years since it floated its baht currency and sparked the Asian financial crisis, both the Thai bourse and the baht hit their highest levels since the regional meltdown.

The Stock Exchange of Thailand

composite closed Friday at 832.38 points, up 7.15 percent for the week, while the baht was trading around 34.00 to the dollar after flirting with the 33.97 mark.

The baht is even stronger in offshore trading, at around 31.5 to the dollar.

The gains came largely from foreign investors funnelling money into the kingdom after the Bank of Thailand released economic data showing that exports had jumped 18 percent in the five months to May.

As of July 6, foreign investors had poured 101 billion baht (2.97

billion dollars) into Thailand this year, compared to 155 billion baht for all of 2006.

"Improving sentiment has been shown through rising stock investments, which have been spread across the region. I don't think this phenomenon is just short-term, but for the rest of the year," Maris Tarab, managing director ING Fund (Thailand) told AFP.

Investors appeared to take a brighter view of Thai politics as ongoing anti-coup protests have so far remained peaceful, he said.



PHOTO: STANDARD CHARTERED BANK

Standard Chartered Bank has taken over the bank booth at US Embassy in Dhaka. Geeta Pasi, charg   d'affaires of US embassy, and Osman Morad, CEO of Standard Chartered Bank Bangladesh, inaugurate the bank booth at US Embassy. Other officials were also present.

Property price boom may blunt Singapore's edge

AFP, Singapore

Soaring property prices in Singapore could erode its competitive edge, including against arch economic rival Hong Kong, the city-state's founding father said in remarks published Sunday.

Lee Kuan Yew, Singapore's first premier who now serves in the cabinet of his son Prime Minister Lee Hsien Loong, said the booming real estate sector must be kept under control.

"We must check this spike in rents for office and residential space or we will lose our competitiveness," Lee, 83, was quoted as saying in the Sunday Times.

He said Singapore "must not allow our rents to shoot up as in Hong Kong."

Lee's remarks came following

an assurance by the Urban Redevelopment Authority (URA), the government body responsible for national land use planning, that there will be sufficient supply to meet demand.

"The government will continue to monitor the market very closely. The government will ensure that there will be sufficient supply of residential space to meet demand," the URA said last week.

The government has released new land sites for commercial and residential projects which analysts saw as a move to cool the red-hot market.

Residential property prices rose 7.9 percent in the second quarter, faster than the 4.8 percent rise recorded in the previous quarters, latest URA figures showed.

Lee, who was speaking Saturday night at a community

event, also predicts Singapore's recent success can be sustained.

"If there are no wars or oil crises, this golden period can stretch out over many years," he said.

"I believe you're going to see a transformation in Singapore. It'll be the most vibrant lively city in this part of the world."

Singapore lifted a longstanding ban on casinos in 2005 and has given the go-ahead for two gaming complexes to spice up its tourism appeal in a bid to draw more visitors.

The city-state has also secured the rights to host a Formula One Grand Prix for five years starting 2008.

Lee served as Singapore's prime minister from 1959 to 1990 and remains an influential adviser to the cabinet with the special title of minister mentor.



PHOTO: SONY ERICSSON

Models display Sony Ericsson's new handsets at the launching function in Dhaka yesterday.