

Star BUSINESS

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Western Marine to expand its shipbuilding facilities in Ctg

Western Marine Shipyard Ltd, a local shipbuilding company, is going to expand its existing shipyard facilities in Chittagong, says a press release.

The Western Marine officials say they have already started physical works for expansion of the shipyard from existing 3-acre compound to 10 acres.

The shipyard, located near Shikalbazar power plant at Kolagaon union under Patiya upazila of the district, is to be upgraded to automatic one by installing modern technologies.

The expansion will also help groom up manpower for the growing shipbuilding industry, the officials added.

Western Marine has already received an order from a European country to build five 4100-tonne cargo ships. The company will start building the vessels from September this year.

Experts say the expansion serves as a testament to the growing shipbuilding industry in Bangladesh.

Sonargaon Textiles okays 10pc cash dividend

Sonargaon Textiles Ltd has approved a 10 percent cash dividend for its shareholders for the year 2006.

The approval came at the 21st annual general meeting (AGM) of the company held on Thursday in Barisal, says a press release.

Managing Director of the company AKM Azizur Rahman presided over the AGM, which was also attended by directors Bazlur Rahman, Md Khalilur Rahman Chowdhury and Kh Anisur Rahman, among others.

Brown rules out joining euro soon

AFP, London

British Prime Minister Gordon Brown on Monday again ruled out joining the euro in the near future, while calling on the European Union to look outwards, not inwards.

As finance minister, Brown reportedly more Eurosceptic than his predecessor Tony Blair – drew up “five tests” or self-imposed criteria to ensure that joining the Euro is in Britain’s economic interests.

Speaking at his first monthly press conference as premier, he said he wanted a European economy which is “open, not closed and one that continues to reform in the interests of the whole of the people of Europe, rather than one that is stuck in an old groove.”

“We are not proposing to either have a major new assessment of the euro or to join the euro at this stage,” he told reporters.

“As far as Europe is concerned, I’ve always been pro-European, I’ve always wanted to see a single market work effectively for the British people.

“That’s why I’m so convinced that the way ahead for Europe is to see itself as part of the global economy, not to look inwards but to look outwards.”

It is the first time since taking office on June 27 that Brown has addressed the issue publicly.

Stringent conditions on export of 8m RMG pieces to India go

STAR BUSINESS REPORT

goes and the sea, air and land routes may be used for this purpose.

The visiting Indian delegation led by State Minister for Commerce Jairam Ramesh placed the latest version of proposal to Finance and Commerce Adviser Mirza Azizul Islam when it met him at his office Sunday.

The Indian team also proposed to sign a memorandum of understanding (MoU) in this regard during its current visit here, but Bangladesh refused as it required some formalities, a high official of the commerce ministry said.

He said, “Yes, we got their proposal lifting most of the conditions they set earlier on duty-free RMG products. But before signing a MoU, it needs vetting from law ministry, Council of Advisers and finally from the Chief Adviser.”

Under the new proposal, the restriction on export of these items through some six specific land ports

On completion of the formalities, this MoU would be inked in New Delhi in the next one and half months, the official told The Daily Star.

The latest proposal from India has already been sent to the law ministry for its nod, he said.

The conditions like introduction of quota monitoring system and prior permission from the Indian Textile Committee before export of the RMG items, which New Delhi conveyed Dhaka through a letter to the commerce ministry on November 8, 2006, are now lifted.

Indian Commerce and Industry Minister Kamal Nath in 2005 promised Bangladesh to allow a duty-free entry of eight million pieces of RMG products. But before signing a MoU, it needs vetting from law ministry, Council of Advisers and finally from the Chief Adviser.”



Managing Director of Sonargaon Textiles Ltd AKM Azizur Rahman (C) presides over the 21st annual general meeting (AGM) of the company held on Thursday in Barisal. Directors, among others, were present at the AGM.

PHOTO: SONARGAON TEXTILES

China, Malaysia, S'pore vie for India's place as top outsourcing hub

PTI, New Delhi

India, which has emerged as the back-office of the world in recent years, is expected to face stiff competition from countries like China, Malaysia and Singapore even as the global outsourcing industry is pegged to reach a market size of USD 1,430 billion by 2009-end.

A survey conducted by global consultancy firm Frost and Sullivan has ranked India as the top destination for shared services and outsourcing (SSO) across various verticals. The country is followed by China, Ireland, Singapore, Malaysia, Mexico, Czech Republic, Poland, the Philippines and Canada.

Low labour costs and abundant supply of skilled manpower are the key factors behind India's sustenance as the top outsourcing destination globally. Outsourcing sector in India is experiencing consolidation and SSO providers are moving up the value chain, expanding their onshore presence to strengthen global delivery capabilities, the report said.

Malaysia, which boasts of excellent infrastructure and low attrition rates, also makes for an ideal outsourcing hub, the Frost and Sullivan study said. The south-east nation is already a strong player in banking, financial services and

insurance (BFSI), transportation and energy verticals.

Besides, companies such as Dell, Satyam and IBM have recently made outsourcing investments in Malaysia, making it a hub catering to the technology sector, it pointed out.

The study covered Fortune 500 and Forbes 2000 companies and was conducted across seven major industry verticals – banking, financial services and insurance, technology/ICT, healthcare industry, transportation and logistics, energy, fast-moving consumer goods and media and entertainment.

A report by audit firm PricewaterhouseCoopers (PwC) has also said although India remains the most favoured destination for outsourcing, countries like Singapore were gaining favour.

A number of financial services companies, including Barclays and Credit Suisse have expanded their support operations with the Monetary Authority of Singapore. Actively promoting the country as a financial centre.

Intel to tap India's rural heartland

AFP, Jaipur, India

Intel marketing veteran John McClure likes to tell the story of an unschooled Indian farmer who wanted to catch and store rain to water his crops but didn’t know how to go about it.

The farmer’s daughter figured out a way by researching the subject at an Internet-equipped community centre in their village after school hours and helped him design a “rain-harvesting solution,” he says.

That’s a simple example of how technology can improve the lives of the 700 million mostly-illiterate people who live in India’s vast hinterland, said McClure.

The executive is at the helm of Intel effort to take computers to the country’s 650,000 villages.

“We are focused on getting as deep inside India as possible,” the South Asia marketing director said in an interview in the northern

Intel is betting that children in the villages who experience firsthand the benefits of technology will buy a computer when they grow up and take up a job or go into business.

“There’s an altruistic element to it but there’s also a business element,” McClure said. “By investing in these areas – maybe ahead of the curve – we will pull more users into the PC purchasing market faster.”

India’s villages are home to 70 percent of its billion-plus population, yet their contribution to national economic output has declined over the past two decades to as low as 20 percent from more than half.

The countryside is yet to receive its share of the dividend from an investment-spending-and-technology-led economic boom that has produced nine percent growth rates for each of the past three years.

Prime Minister Manmohan

Singh’s Congress party-led government, which came to power in 2004, is trying to change that by pumping money into rural infrastructure and boosting bank loans.

“To address inclusive growth is incredibly important for the Indian economy to keep growing at a healthy clip,” said McClure. “Making technology available in rural areas is a critical element of that.”

ICICI Bank, India’s largest private bank, is giving computer loans to customers identified by Intel’s dealerships while it expands lending in the countryside.

“The small guy needs technology to make his business easier, faster and more efficient,” Chandok said. “Equipment finance is a key proposition here.”

India’s installed computer base is just 30 million, small for the second-most populous nation in a world where one billion PCs have been sold, said R. Ravichandran, South Asia sales director at Intel.

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Prime Minister Manmohan

FBCCI team to attend meet of Confederation of Asia Pacific Chambers

UNB, Dhaka

A business delegation of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) left Dhaka for Australia yesterday to attend the 73rd Council meeting of the Confederation of Asia Pacific Chambers of Commerce and Industry (CACC).

The meeting will be held on 25-27 July at Perth in Western Australia.

FBCCI President Mir Nasir Hossain will lead the four-member delegation.

Members from 23 Asia Pacific countries will attend this meeting.

CACC is a regional organisation of apex chambers of commerce and industry and business associations, representing the interest of more than three million business enterprise in Asia and Pacific.

Apart from attending the meeting, the FBCCI business delegation will meet private sector leaders from CACC member countries and the business leaders of Western Australia.

US gives up hope for Thai trade deal

AFP, Singapore

The United States has given up hopes of a free-trade agreement (FTA) with Thailand because of the political situation since last year’s coup, a US official told a Singapore newspaper.

“In the case of Thailand, FTA negotiations stalled before the coup,” US Trade Representative Susan Schwab said in an interview with the Straits Times published Monday.

“With the coup, it obviously became impossible to proceed. We have given up having an FTA with Thailand,” she said.

The United States announced in November that free trade talks had been suspended until a democratic government was in place.

The junta has promised to hold elections by the end of this year, but since taking power the army-installed government has pressed ahead with free-trade deals that had been negotiated under ousted premier Thaksin Shinawatra.

Thailand signed an FTA with Japan in April, and has moved to speed up talks with India.

Laos tries to stabilise exchange rates

ANN/VIENTIANE TIMES

The Bank of the Lao PDR, the central bank of Laos, is trying to stabilise the exchange rate in the country as much as possible, hoping for a rate fluctuation this year of no more than 5 percent.

The bank governor, Phouphet Khamphounvong, said: “The central bank will control the exchange rates in the country, and will not allow the Lao kip to strengthen against the US dollar or weaken against Thai baht over 5 percent.”

In the first six months, the Lao kip was 0.99 percent stronger against the US dollar. In June this year one US dollar was worth 9,599 kip, down from 9,695 kip of December last year.

Toyota, Mazda, Honda set to resume output

AP, Tokyo

have been idle since Thursday leaving about 46,000 vehicles in limbo, which may climb to about 55,000, Toyota President Katsuaki Watanabe told reporters.

Mazda Motor Corp., an affiliate of Ford Motor Corp., will start operations Monday evening at one of two factories in Japan, according to spokeswoman Aya Takahashi.

The other factory will resume work Tuesday, she said. The company’s output loss from the suspension is 4,500 vehicles, she said.

Honda Motor Co. also said Monday that two of its automobile plant and a motorcycle factory will remain closed, Honda said.

Nissan Motor Co. has halted some plants through Tuesday.

Mitsubishi Motors Corp. said Monday it expected to procure enough parts to reopen its domestic plants on Wednesday and Thursday. It was too early to say whether production would continue Friday, the automaker said in a statement.

Toyota shares fell 1.19 percent to 7,470 yen (\$62), Honda lost 1.98 percent to 4,460 yen (US \$37), and Mazda dropped 1.97 percent to 695 yen (\$5.70).

Toyota’s 12 factories in Japan

EU urges greater China effort on product safety

AFP, Beijing

The European Union’s top consumer protection official on Monday urged China to move more aggressively against the makers of dangerous goods that have raised global fears over Chinese-made products.

“Yes, there has been improvement (in China) but... there is a need for more stepped-up reforms of the market and market surveillance,” Meglena Kuneva, the European Commissioner for Consumer Protection, told reporters in Beijing.

Members from 23 Asia Pacific countries will attend this meeting.

CACC is a regional organisation of apex chambers of commerce and industry and business associations, representing the interest of more than three million business enterprise in Asia and Pacific.

Apart from attending the meeting, the FBCCI business delegation will meet private sector leaders from CACC member countries and the business leaders of Western Australia.

“We encourage and will continue to encourage at every possible level – political, technical, personal – our Chinese partners to do more to defend the good name and the good quality of Chinese products,” she said.

Kuneva also called for deeper Chinese participation in an EU system known as RAPEX that

dog.

China has come under increasing pressure from its trading partners following reports of a number of Chinese-made goods that posed health risks.

Reports in the United States of poisonous pet food ingredients, dangerous toys and drugs, fish pumped with banned antibiotics and other products from China have led to a spate of recalls and bans there.

“I encourage and will continue to encourage at every possible level – political, technical, personal – our Chinese partners to do more to crack down on unsafe goods and increase international cooperation.

“China will try to improve its work in order to guarantee the quality of our exported products,” said Li, who heads the General Administration of Quality Supervision, Inspection and Quarantine.

Seoul, Delhi to discuss tariff cuts under FTA

AFP, Seoul

South Korea and India will discuss proposed tariff cuts during another round of talks this week on a planned free trade deal, the South Korean government said Monday.

At a four-day meeting starting in New Delhi on Tuesday, the two sides will give details of their initial offers on tariffs, the Ministry of Agriculture and Forestry said.

Seoul and New Delhi started talks on a comprehensive economic partnership agreement (CEPA), similar to a free trade deal, in March 2006.

This week they are also expected to discuss place-of-origin rules for agricultural products and processed goods, the ministry said.

It said both sides have already agreed on the need to make some allowances for agricultural sectors that could be hurt by liberalisation.

CEPA seeks to promote trade, investment and economic cooperation by reducing tariff and non-tariff barriers.

The Seoul government sees free trade deals as crucial to making its economy more competitive.

It signed a sweeping free trade pact with the US last month that still needs approval by the legislatures of both countries, and is holding similar talks with the European Union.

Seoul already has FTAs with Chile, Singapore, the European Free Trade Association and the Association of Southeast Asian Nations, excluding Thailand.

China's cotton sales up 48.4pc

XINHUA, Beijing

The China National Cotton Reserves Corporation (CNRC) said Monday that China’s cotton sales had jumped to 6.05 million tons by July 18 up 48.4 percent from the same period last year.

A survey conducted by the CNRC showed 6.46 million tons of cotton had been processed during the same period, up 18.4 percent, while 6.51 million tons was purchased, up