

PHILIPS
sense and simplicity
LCD HD TV
42TA2800

TRANSCOM ELECTRONICS
8855366-8, 01712-665463

Star BUSINESS

E-mail: business@thedailystar.net

CATERPILLAR®
- GAS & DIESEL GENERATORS 6KW to 16MW
- NEW & USED CONSTRUCTION MACHINES
- GENERATOR & MACHINE RENTALS
- UNPARALLELED PRODUCT SUPPORT

Bangla CAT
BANGLA TRAC LTD.
4 MOHARSHALI COMMERCIAL AREA
TEL: 8859812-3, FAX: 8857650
www.banglacat.com, info@banglacat.com

Govt tightens procedures to issue GSP certificates

Bid to check misuse of duty-free facility

JASIM UDDIN KHAN

The government has tightened procedures to issue GSP certificates to exporters in a bid to check misuse of the certificates that allow goods' duty-free access to the European market.

The government move comes following imposition of 12 percent security deposit by Germany on Bangladeshi garment imports. German authorities imposed the deposit in September following investigations that showed several companies had been exporting products to European countries using fake Bangladeshi GSP certificates.

As part of the measures the Export Promotion Bureau (EPB) has asked commercial banks to maintain records of GSP (generalised system of preference) certificates.

"We instructed the banks to sell GSP forms only to official representatives of genuine exporters. The banks will make sure that details of the buyers including photo IDs are recorded in registers," said Md Shahab Ullah, vice chairman of EPB, which introduced the new system last month.

He said earlier anyone could buy a GSP form from banks paying only Tk 50. The easy availability of the GSP forms prompted a section of people to misuse the GSP facilities, he added.



PHOTO: INTERNET

A file photo of garments. Germany recently imposed a 12 percent security deposit on Bangladeshi garment imports following investigations that showed several companies had been exporting products to European countries using fake Bangladeshi GSP certificates. Bangladesh government now has tightened procedures to issue GSP certificates to exporters to check misuse of the certificates.

After receiving a GSP form an exporter needs to get certification both from his/her business associ-

ation and EPB to get duty-free access to Europe.

The EPB also plans to import a

highly sophisticated seal from Brussels for certification to check forgery in GSP certificates.

The EPB also mulls introducing a biometric system for issuing the certificates.

Moreover, the EPB is now sending the GSP certificates, sent back by European countries, to Criminal Investigation Department (CID) to identify people involved in the forgery.

The vice chairman of EPB said the CID will investigate the matter and will give reports to the EPB after thorough investigation.

The 12 percent deposit has to be paid by buyers and is only returned when the GSP certificate that comes with the goods shipment is authenticated. Its imposition in September caught Bangladeshi exporters by surprise.

It has been claimed that the move was taken without any consultation or prior notification.

Earlier, a high-powered government team investigated the matter and found that some people in other developing countries prepare fake Bangladeshi GSP certificates in connivance with a section of local people to export products to EU countries.

A business team meanwhile will visit Germany soon to request the country to withdraw the 12 percent security money and to make them understand the EU countries itself could protect such export.

RAWHIDE COLLECTION DURING EID

Tanners to get Tk335cr loans from three state-owned banks

STAR BUSINESS REPORT

Three state-owned commercial banks will give more than Tk 335 crore in loans to tanners to purchase rawhide during the upcoming Eid-ul-Azha festival.

Sonali Bank, Agrani Bank and Janata Bank will disburse the credits during the festivals, when Muslims sacrifice festival cattle.

Sonali Bank has allocated Tk 48 crore, of which Tk 21 crore has already been disbursed. The rest of the amount will be disbursed as working capital.

Agrani Bank will disburse Tk 125 crore among the tanners to buy rawhide of sacrificed animals.

Janata Bank has also decided to provide Tk 163 crore for the tanners.

Industry people said Bangladesh produces over 220 million square feet of leather every year, 80 percent of which comes from sacrificed animals during the festival.

However, rawhide collectors fear collection of rawhide this year may be less than that of the previous year due to the recent devastating cyclone in the south-western region of the country.

"Moreover, poor supply of cattle from India may also be a reason for poor rawhide collection this year," said Mohammad Delwar Hossain, general secretary of Bangladesh

Hide and Skin Merchants Association.

"Last year, we collected 23 lakh pieces of cow hide and 70 lakh pieces of goat and sheep skin," he said.

"This year we estimate to collect 20 lakh pieces of cow hide and 55 lakh pieces of goat and sheep skin," Delwar said.

Tipu Sultan, president of Bangladesh Finished Leather, Leather Goods and Footwear Exporters Association, however said a good number of Indian cattle have been imported in the run-up to the Eid.

"We hope the number of rawhide will not be less than that of last year," he said.

Better policies needed for smooth labour mobility

Says International Organisation for Migration

UNB, Dhaka

The International Organisation for Migration (IOM) has called for implementing comprehensive and cooperative policies for smooth labour mobility across the globe.

The suggestion came on the eve of the International Migrants' Day, being observed in Bangladesh as well as across the globe today.

"The successful management of global labour mobility can best be achieved through the implementation of comprehensive and cooperative policies that ensure protection of the rights of migrants and of temporary contractual workers," says the IOM.

And this aforesaid observation has been made this year's theme for the day to underline the need for solutions to the various problems facing migrants and contractual workers.

"Protecting the human rights of migrants and of temporary con-

tractual workers is paramount to ensuring global labour mobility, so it delivers its full economic and human potential for the benefit of all concerned," said IOM Director General Brunson McKinley.

Labour mobility is a key feature of globalisation with a significant impact on the global economy. In 2007, migrant workers from developing countries sent home through formal channels more than US\$ 240 billion, whilst at the same time making significant contributions in the economic growth and prosperity of host countries.

When effectively managed, international labour mobility can also play an important role in helping migrants acquire knowledge and skills, which can promote development in the home country, as was highlighted during the Global Forum on Migration and Development held in Brussels in July 2007, says an IOM release.

Despite their positive contribu-

tion to the global economy, migrant workers and temporary contractual labourers continue to face challenges in many parts of the world, including poor working conditions and various forms of abuse and discrimination, it noted.

To complement strong national legal frameworks, inter-state dialogue and cooperation on labour mobility are crucial for economic development and social progress and are also the best guarantees of respect for the human rights of migrants.

"Protecting the human rights of migrant and contractual workers can be achieved through strong partnerships between countries of origin and destination agencies with an interest in about mobility and other important partners such as the private sector," says McKinley.

It is why IOM lends its support and expertise to regional dialogues, such as the very important Colombo Process of eleven Asian labour countries of origin.

Dabur Nepal keen to enter Bangladesh market

PTI, Kathmandu

Dabur Nepal, a subsidiary of Dabur India and one of the leading manufacturers of fruit juices in the world, is keen to enter the Bangladesh market, provided Dhaka reduces its whopping customs duty of 80 percent.

Dabur Nepal has urged Bangladesh to reduce the duty on imported juice as it is facing problem to enter the market due to its high customs duty, official sources said.

A whopping 80 percent customs duty on fruit juice imports has affected the entry of foreign brands into Bangladesh, where four local brands dominate the market.

Dabur Nepal, the biggest juice manufacturer in the Himalayan nation, is capturing 58 percent of the local market with its Real juice brand.

Established in 1992, Dabur Nepal annually exports a variety of juice items ranging from mango, orange to pineapple, equivalent to Rs 1 billion and most of its consignments go to India.

"Nepal has a juice market of Rs 1 billion," says Udayan Ganguly, chief of Dabur Nepal.

India, HK plan FTA

PTI, New Delhi

India and Hong Kong have initiated talks on a free trade agreement and plan to enter into a double taxation avoidance agreement (DTAA) to promote bilateral trade and investment.

"We have discussed with Indian leaders to have an investment promotion and protection agreement besides a double taxation avoidance agreement (DTAA). Both the issues were discussed with Finance Minister P Chidambaram, who assured his full support on the issues," Hong Kong Financial Secretary John C Tsang told PTI on the sidelines of a business conference here.

Pointing out that 1,500 Indian companies, including seven banks, had their presence in this autonomous province of China, he said Hong Kong was also ready to offer its expertise in building Mumbai as an international financial centre.

There are over 40,000 persons of Indian origin in Hong Kong.

Business confidence slightly down

Says research organisation

STAR BUSINESS REPORT

Local business confidence in November was slightly below the benchmark, indicating business enterprises in Bangladesh are not very optimistic about the near future, a research organisation said yesterday.

The Business Confidence Index (BCI) point is 48.50, according to the research organisation, which puts the benchmark points at 50 in its study titled 'Business Confidence Index: A Reflection of Business Sentiment in Bangladesh'. The study was published in Bangladesh Economic Outlook, Shamunnay's publication.

The research organisation, Shamunnay, said BCI for RMG, pharmaceuticals and financial institution is above 60, whereas it is below 50 for other sectors such as

real estate and information and communications technology.

Shamunnay also said in terms of investment situation confidence pharmaceutical sector scored 70 points followed by RMG 65.83 points and financial institutions 64.29 points.

All the sectors scored poorly in terms of confidence in business cost with real estate collecting 28.57 points. Financial institutions got 32.50 and RMG 42.50 points.

The study however said business personnel are somewhat optimistic about the rise of sales orders in the coming quarter.

"Our findings suggest the business community in Bangladesh currently is suffering from a lack of business confidence, which may have negative implications for the future investment and economic growth," said Atiur Rahman, editor of the Bangladesh Economic Outlook.

Speaking of the Business Confidence Index, former finance minister M Syeduzzaman said policy makers should take such study into consideration to restore confidence in the business community.

He said the business confidence is largely depends on how the policy makers will design and adjust the fiscal measures in the coming days.

Rouf Chowdhury, a former director of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), said there is no doubt that business confidence level is low.

Shamunnay conducted the first-ever BCI survey in association with Manusher Jonno Foundation. Dr Selim Raihan, assistant professor of Economics Department of Dhaka University, presented the survey.

China JV partner may sue Danone

AP, Shanghai

The bitter dispute between French food and beverage maker Groupe Danone SA and its Chinese joint venture partner Wahaha has deepened with Wahaha's labor union saying it is suing Danone.

Danone said Monday complaints by the Wahaha labor union were "groundless." The union filed a lawsuit against the French company in Weifang, a city in eastern China's Shandong province, seeking \$1.4 million in damages.

The union's move was announced after Danone said last week it was suspending court proceedings against Wahaha and urged the Chinese side to take "concrete" moves toward reconciliation.

Danone said it had not yet received documents regarding the union's lawsuit, and that it was still hoping for an "amicable solution" to the dispute.

Mittal cancels mill sale deal in US

AP, Baltimore

Mittal Steel Co. NV announced Sunday that it has terminated its agreement for the sale of the Sparrows Point steel mill near Baltimore to an international investment group led by Esmark Inc. due to the group's inability to secure financing.

The move comes at the direction of the court-appointed trustee who has the authority to affect the divestiture of Sparrows Point, Mittal said.

The deal was announced in August but delays have caused Esmark's agreements with its partners in E2 Acquisition Corp. to lapse. This raised the possibility of a revised proposal for financing the \$1.35 billion transaction. The closing date in the purchase agreement was Nov. 30, and that date was extended to Dec. 11.

Mittal will work to satisfy the terms of the consent decree with the U.S. Department of Justice and the court-appointed trustee, who intends to retain an investment bank to assist in the sale process, Mittal said.

Meanwhile, Mittal said it will continue to operate the plant during the divestiture process, consistent with its obligations under its agreements with the DOJ.

Esmark President Craig T. Bouchard, who heads E2, declined to comment immediately.

Better designs to create greater market for textile exports

Says adviser

UNB, Dhaka

Better designing by Bangladeshi textile experts and engineers would create greater markets for our exports in this sector, said Foreign Advisor Dr Iftekhar Ahmed Chowdhury.

Speaking at the inaugural ceremony of a textile exhibition and traditional dress parade at the

South East University, he said there is need for greater research and development efforts and more skills in designing for contemporary global markets.

He said more reliance on the country's rich tradition and culture will create acceptable products for the enlightened consumers of today.

"At all times, the government in

particular the Ministry of Foreign Affairs, will act as a facilitator to introduce these manufactures to the world, for this is very much a part of our strategy of deriving economic benefits from cultural diplomacy," he said.

Vice Chancellor of the South East University Prof Dr M. Shamsur Ali chaired the event.

Singapore to scan US-bound cargo for hazardous material

AFP, Singapore

Singapore, one of the world's busiest container ports, will scan US-bound cargo for hazardous materials under an international trial project, a statement said Monday.

Officials from the two countries have signed a declaration to conduct the six-month trial under the Secure Freight Initiative (SFI), a joint statement from the US embassy and Singapore's Ministry of Transport

said. Singapore is one of seven global ports participating in the trial, under which US-bound shipping containers are scanned for nuclear or radiological materials before being loaded onto ships, the statement said.

Data from the scanning are sent in near real-time to the United States where officers determine whether the container carries hazardous material, it said.

"This trial project is an important step toward a possible trade

model that secures the global supply chain," said the United States ambassador to Singapore, Patricia Herbold.

SFI trials began in Honduras in April. Other participating ports are in the United Kingdom, Oman, Pakistan, South Korea and Hong Kong.

Data from the trial will allow the US to assess the viability and effectiveness of implementing 100 percent scanning of US-bound containers, the statement said.

Special Eid Offer!
10% Discount on IPS

Now my home is complete

RAHIMAFROOZ IPS
One second please

- Pure Sine Wave ensures longer life for appliances
- Installation within 24 hours

Offer valid till December 20, 2007

Dhaka: 9605230, 8822251, 8915165, 0171 1537785, 0171 3062835, 0171 3066491 Chittagong: 712313, 0171 3107134 Jessore: 66553, 0171 5409724 Bogra: 63946, 0171 4068374 Sylhet: 713603, 0171 1922462 Khulna: 0171 3400735 Rajshahi: 0171 3388751 Barisal: 0171 3450787 Mymensingh: 0171 4037630 Comilla: 0171 3062884 Rangpur: 0171 3064913