

Stocks

DGEN	1.08%
3,052.61	
CSCX	1.06%
5,581.49	
(Thursday closings)	

Asian Markets

MUMBAI	0.47%
17,434.9	
TOKYO	0.23%
14,219.48	
SINGAPORE	1.06%
3,241.49	
SHANGHAI	0.36%
3,624.23	
(Friday closings)	

Commodities

Gold	\$903.72
(per ounce)	
Oil	\$127.98
(per barrel)	
(As of Friday)	

More News

Frozen food assoc pledges to go by int'l labour laws

The president of the trade body for the frozen food sector has pledged to abide by the international labour law and compliance standards for sustaining the export growth.

'Execute decision to cut import duty on raw materials'

The steel and re-rolling mill owners yesterday urged the government to immediately implement the decision to reduce import duty on steel raw materials to address the soaring rod prices in the domestic market.

International

High-speed rail sees delays in US



Top speed for nearly every passenger train in the United States is a pedestrian 79 miles (127 kilometre) per hour, with average US speeds far slower. "I've been on high-speed trains in Italy, and it's another world," says a passenger.

Global growth slows in 2008: UN

The United Nations on Thursday issued a downward revision of its forecast for 2008 global economic growth, to just 1.8 percent, from the 3.4 percent predicted in January. In an update of its January 9 "World and economic situation and prospect 2008", the world body said the worldwide economy would be slowing in 2008 after marking 3.8 percent growth last year.

Contact Us

If you have views on Star Business or news about business in Bangladesh, please email us at business@thedailystar.net

Russia looks to Bangladesh for garment expertise

First batch of skilled workers expect to leave in next two months

REFAYET ULLAH MIRDHA

Skilled Bangladeshi textile workers are being hired to work in Russia, further evidence of Bangladesh's growing status as a world leader in garment expertise.

Abdul Matin Chowdhury, secretary to the Ministry of Expatriates' Welfare and Overseas Employment, said 60 skilled workers will go to Russia in the first batch within the next two months. More could soon follow, he added.

Although garment industry leaders have previously complained of a shortage of skilled labour in Bangladesh, yesterday they welcomed the Russian initiative as proof of the strong development and international competitiveness of the local garment sector.

The Russian company Visozstoy will initially employ the workers.

"I have already approved a local recruiting agency to select the manpower to export to Russia," Matin Chowdhury said, adding that a ministry delegation will attend a forum on employment in Russia at the end of the month.

He said the workers will receive US\$450 a month in wages and a package of benefits such as medical facilities and travel allowances.



A file photo shows employees working at a garment factory. A Russian apparel company is going to start recruiting workers from Bangladesh for its factory in the next two months.

Fazlul Hoque, president of Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), said although the country has been suffering from a skilled manpower shortage, the initiative

is good. "It is good that we are unlocking the potential to export garment workers as well as their products," he said. "However we should always be aware that nobody is being

deprived by exporting RMG manpower," Hoque added.

According to statistics there are more than 2.5 million skilled, semi-skilled and unskilled workers in the woven, knitwear and textile

sectors.

Industry insiders said at present garment workers comprising 80 percent female workers are working in near 4500 woven factories, nearly 1700 knitwear factories and

more than 1300 textile factories.

Hoque said Russia is also a potential RMG products' market for Bangladesh. Every year Russian buyers outsource a significant number of RMG products to Bangladesh, he said.

Talking to The Daily Star president of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) Anwar-Ul-Alam Chowdhury Parvez said the initiative is good, as the demand of RMG workers in Russia has been increasing.

Advising the government to continue a relentless effort to grab the Russian and other potential markets for RMG workers Parvez said the government should also continue training workers to make them skilled.

Market operators said remittances from expatriate Bangladeshis could exceed US\$7.0 billion in 2008 as more and more local skilled and semi-skilled workers are going abroad for jobs.

According to official statistics, the country received nearly \$6.0 billion in remittance from non-resident Bangladeshis last year and the contribution of the remittance to the gross domestic product crossed 13 percent.

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Private airlines up fares on Dhaka-Ctg route

UNB, Dhaka

All the domestic airlines, except Biman Bangladesh Airlines Ltd, have abruptly raised their fares on Dhaka-Chittagong route, saying that the fuel price, taxes and surcharges have increased significantly.

Their new fares came to effect from Friday even though passengers had no idea about the enhanced fare.

The carriers have sent a directive to their officers and sales agents in this connection. "We've re-fixed our ticket fare, including all taxes and surcharges, at Tk 4,995," Best Air Chairman M Haider Uzzaman told the news agency yesterday.

He said the Padma Oil has increased the fuel price used by aircraft up to 15 percent.

The previous airfares of all the domestic airlines on their Dhaka-Chittagong route were more or less below Tk 4,000, including all the surcharges and taxes.

Sources in GMG Airlines, United Airways and Royal Bengal also confirmed that they have increased the fares on this important route.

According to the sources, high officials of the four private carriers at a meeting a couple of days back decided to re-fix the fare at Tk 4,995, including all the taxes and charges.

Talking to the news agency, MA Momen, managing director and chief executive officer of national flag carrier Biman Bangladesh, said they have not yet taken any decision on enhancing fare on the route.

Experts said the growing trend of taking flights by the passengers might shrink due to the increased fare as most of the domestic passengers are of Dhaka-Chittagong route.

Law enforcers blamed for failing to stop unrest in Ctg RMG units

SHAHIDUL ISLAM, Ctg

RMG owners blamed law enforcement agencies for failing to stop unrest at dozens of garment factories in Chittagong.

"It was a sorry sight for us that they (police and Rapid Action Battalion) remained by and large silent in most of the cases that in fact made the agitating workers and their cohorts more aggressive in launching such attacks in the garments factories," lamented SM Abu Tayyab, former first vice president of Bangladesh Garments Manufacturers and Exporters Association (BGMEA).

At least a dozen of garment factories in the port city came under organised attack or vandalism in the last seven days by agitated workers.

Several other BGMEA directors, including Ershad Ullah, Mahbub Ali and Nasiruddin Chowdhury, also expressed similar frustration over the role of law enforcement agencies at the time of the attacks at garment units.

All of them, however, appeared unanimous to smell a deep-rooted conspiracy by a quarter with vested interests who, the leaders believe, is desperately out to bring down the image of the RMG sector to its lowest ebb.

"It was nothing but a well-planned plot to destroy the country economically," said Ershad Ullah, whose factory also came under vandalism last week.

He said it was quite astounding that a band of unruly people went on to free-

style rampage in presence of 'silent' cops and other agencies even at the time of emergency rule.

The sector leaders urged the government to act promptly and immediately to have a permanent remedy of the occurrences at different garment factories in Chittagong as well as other parts of the country for the sake of its economy in future.

The garment units that came under attacks are Orchid Fashion, Savar Sweater, Global Knitting (Unit-2) of Azim Group, Mark Fashion Wear Pvt Ltd, Monowara Hero Garments, Allama Fashion, Har Fashion, Aroma Fashion Ltd, Premier Knitting, Kent Fashion, Maxim Garments, Kron Sweater and BLP Warm Fashion Ltd.

Ctg timeline of turmoil

May 6: Agitated workers of three garments factories of Azim Group -- Orchid Sweater Ltd, Global Specialised Ltd (Unit-2) and Savar Sweater Ltd -- went on rampage and vandalised over 50 vehicles in Kalurghat Bscic Industrial Area on the day demanding an increase in their share of piece-rate on each garment product and breakfast allowance.

The attacks got an extended shape when hundreds of outsiders along with the agitating workers vandalised eight more roadside garment factories on a three-kilometre stretch from Kalurghat to Bohaddarhat Intersection to Muradpur area.

But law enforcers remained silent spectators during the unrest, which frustrated the RMG owners.

May 10: The garment workers of BLP Warm Fashion Ltd, an export-oriented sweater factory at Atura Depot area under Panchlaish police station, vandalised offices, machinery and finished products at their factory for a hike in wages. They also swooped on the factory officials injuring two.

May 11: The BLP Fashion workers again went on agitation alleging that they were not getting increased wages as agreed by the management the previous day (May 10).

Mohammad Mohiuddin,

owner and chairman of BLP, told The Daily Star that he had increased the tiffin allowance from Tk 7 to Tk 8 and fixed piece-rate for the each product of different styles and basic salaries.

May 13: A ghost scare at Universal Jeans Ltd, a conglomerate of Pacific Jeans Ltd at Chittagong Export Processing Zone (CEPZ) area, forced the management of Universal to shut down the sewing section of the factory.

The RMG factory owners claim that it was a well-organised attempt by a section of conspirators from home and abroad to destroy the garments sector of the country.

Re-branding of Oriental Bank begins

SAJJADUR RAHMAN

ICB Islamic Bank, formerly known as Oriental Bank, has formally started rebuilding its lost image with opening a new branch today in Dhaka, officials said.

"The branch is going to be our model branch," Abdul Latif Yahaya, managing director of ICB Islamic Bank Bangladesh, told The Daily Star recently.

"It (new branch) will help re-brand the bank," Yahaya, who is a Malaysian national experienced in financial services, added. Some 15 well-trained staffs will be deployed at the new branch office located at Banani in the city.

He said the new branch would adapt with the attitude, vision and business plan of the new management by rendering better and faster services to its clients.

With the new branch opened, the number of the bank branches will be 31.

Switzerland-based ICB Financial Group Holdings AG has bought majority shares (50.10 percent) of Oriental Bank at about Tk 350 crore (\$51 million) early this year. The new owner of the majority stakes in the bank has taken over the management of the bank in March from the Bangladesh's central bank.

Soon after taking over the charge of the bank, the management has started devising out ways to restore confidence, attract depositors and borrowers and to recover huge bad loans, according to the bank officials.

"Restoration of confidence is a big challenge. We have thought opening a new branch will help us in this regard," Yahaya said, adding that the new branch

would be equipped with modern banking facilities, including computerisation.

"We will bring all our branches under automation by November," the ICB MD revealed. "ATM and credit card services are going to be launched soon," he added.

One of the major challenges the bank faces is bad debt, the bank top official asserted.

"We are taking joint forces' help to recover the bank's huge bad debts worth about Tk 1,150 crore to strengthen the bank's capital base for funding," he said.

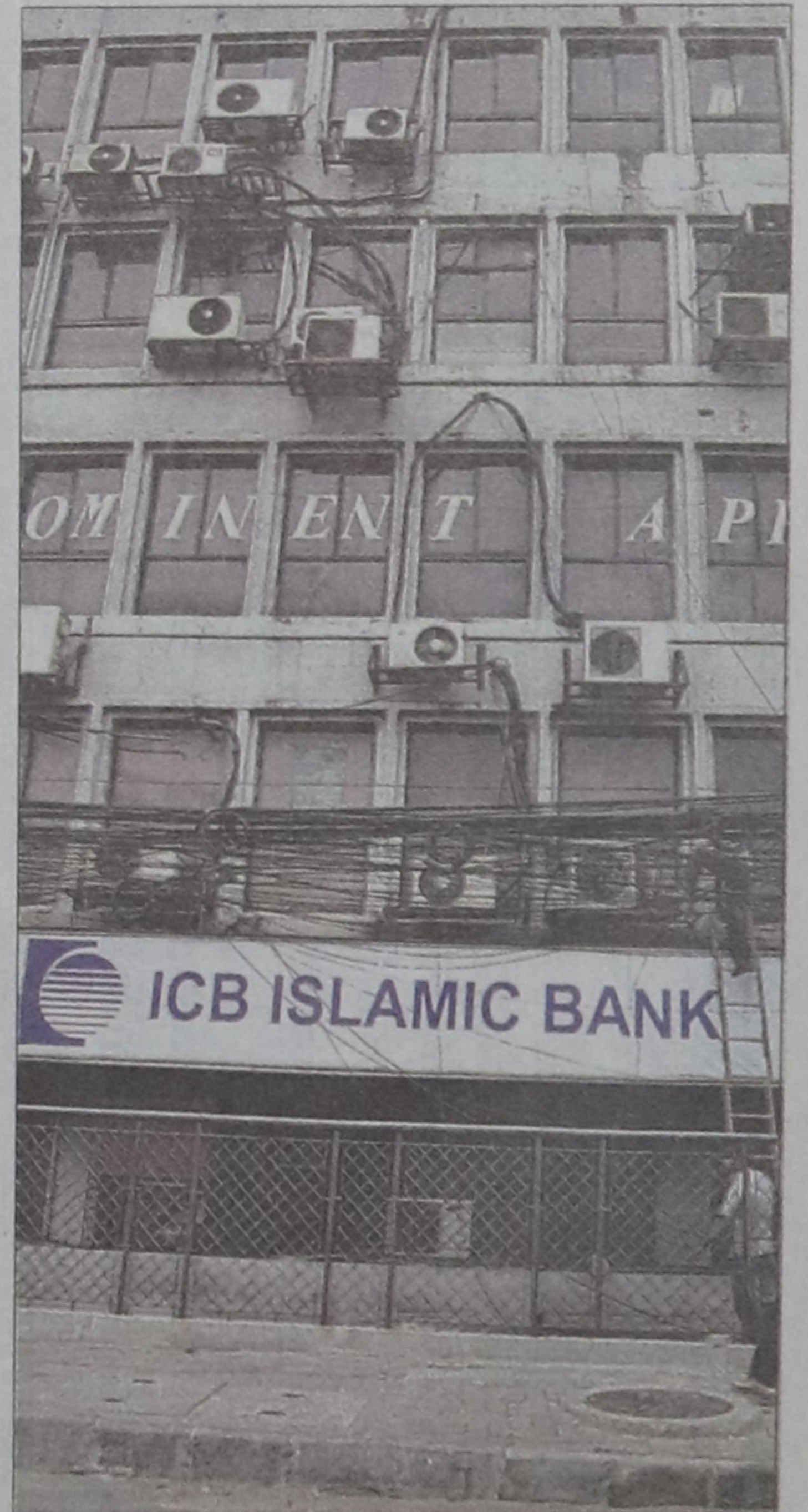
Current total loan portfolio of the bank stands at Tk 1,530 crore. Of which, 75-77 percent are bad debts, according to officials.

Potentials of banking business are great in Bangladesh as her population is amazing 150 million. Some 10 percent of potential customers can help earn profit for the bank, he said.

The Malaysia-born banker has found affluence in Bangladesh's increasing use of cars and booming housing sector.

Earlier, Bangladesh Bank (BB) has completed restructuring of the Oriental Bank under a scheme in February this year. The BB took about two years to complete the job after the dissolution of the bank's board in June 2006, detecting a massive corruption. Some 51 percent shares have been sold out to ICB Holdings and the remaining shares will be distributed to depositors of the bank as per the BB guidelines.

Meanwhile, Akbar Malek, spokesperson of the bank, said all the signboards of the once scandal-driven Oriental Bank will be replaced with the new name ICB Islamic Bank by today. sajjad@thedailystar.net



ICB Islamic Bank, formerly known as Oriental Bank, has started its re-branding. A new sign was installed at the bank's Karwan Bazar branch in Dhaka yesterday.