

Private airlines demand Tk1,000cr interest-free loans, other packages

STAR BUSINESS REPORT

Local private airlines have urged the government for sanctioning Tk1,000 crore interest-free loans and waiver of tax, landing and navigation charges to survive the global recession storm.

"We are already in deep in debt while traffic flow has gone down. If we want to sustain the recession storm we need this amount this year," M Haider Uzzaman, convener of a body of four private carriers, Airlines Association of Bangladesh, told The Daily Star over phone.

The association constitutes GMG Airlines, United Airways, Best Air and Aviana Airways Ltd.

Haider said he, on behalf of the association, placed a written appeal to the finance ministry yesterday, seeking support from the government, already burdened with bail-

out demands from different business sectors.

On March 15, the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), the apex lobby group, sought Tk6000 crore in bailout package to cushion businesses from the global crisis fallout.

Haider claimed that private airlines incurred a loss of Tk 300 crore last year because of the surge in fuel prices.

As the recession deepens, oil price slumped. But Haider, also chairman of Best Air, argued that passengers, including leisure travellers, have gone down.

Flights of Best Air, entered in January last with a maiden Boeing 737-200 aircraft, are now suspended on technical grounds, said Haider, expressing his desire to resume flights by the end of March.

The airline operates on four international destinations including Kuala Lumpur, one of major markets for local airlines, thanks to migrant workers.

Local airlines usually rely on migrant workers to the Middle East and Southeast Asian economies like Singapore and Malaysia that employ majority of Bangladesh's five million plus migrant workers.

But as the recession deepens and oil prices slide, the outflow of migrant workers records a gradual decline, while many are on the return.

The situation worsened further after the government of Malaysia, one of the major employers of Bangladesh migrant workers, cancelled visa of 55,000 workers.

"Traffic situation has deteriorated sharply after cancellation of visa by Malaysia," said Haider.

"Environment is changing rapidly and all are against us," he said.

"We want the government to clear us from paying charges for landing and parking charges so that we can carry out expansion moves," said Captain Tasbirul Ahmed Choudhury, chairman and managing director of United Airways (BD) Ltd, which started operation in July 2007.

The chief of United Airways, which has recently procured a Md-83 and plans global expansion by mid-2009, believed that domestic airlines might face the blow of recession in case garments exports slips.

"Global recession will have affect directly or indirectly. It would be helpful for us if we get some relief from paying these charges," said Choudhury. His airline wants to secure about Tk 140 crore in turnover.

Workers' migration policy soon

UNB, Dhaka

Labour, Employment and Expatriate Welfare Minister Khandker Mosharraf Hossain yesterday said the government would soon formulate a policy for manpower export to make the entire process transparent and hassle-free.

"A policy for this vital sector is needed and a committee with the representatives of government, experts and Baira will be formed to go ahead with the plan," he told a meeting at a city hotel.

Bangladesh Association of International Recruiting Agencies (Baira) hosted the opinion-exchange meeting titled 'Prevailing Crisis in Manpower Export Sector: Ways of Recovery'.

Labour and Employment Secretary Elias Ahmed and Awami League lawmaker Mostafa Kamal (Lotus Kamal) also spoke at the meeting, with Baira President Golam Mostafa in the chair.

The minister said he would discuss the matter of formulation of the policy in the cabinet meeting and Prime Minister Sheikh Hasina is already aware of it.

Mosharraf pledged to set up an Expatriate Welfare Bank, a longstanding Baira demand, and assured the trade body for recruiting agents that the government would not take over the job of manpower export from them.

Disclosing the government's plan to groom skilled manpower, the minister said more training centres would



Labour Minister Khandker Mosharraf Hossain attends a view-exchange meeting with a Baira delegation at his office in Dhaka yesterday.

be set up to train up workers. "Currently, 37 technical training centres across the country are working to train up nearly 50,000 workers every year and the number will soon be increased through ensuring district-level training facilities," he said.

He suggested the Baira leaders send their delegation to different countries to explore new markets for manpower export.

The minister gave the tips that America will recruit nearly one lakh nurses this year. "Bangladesh might take the opportunity," he said.

Discussing the prevailing crisis in Malaysia for manpower export, he said it would soon be solved and he, along with the foreign minister, would visit Malaysia within a few days to discuss the problem with the Malaysian government.

He urged the Baira leaders to inform the workers about their probable jobs, locations and duties and nature of jobs before sending them abroad.

"They are either your brother or your relatives. So, ensure availability of required information for them," said the minister.

He said the communication gap should be removed through discussion for the betterment of this sector.

He assured all that no black laws would be enacted and no decision keeping the Baira out of scene. He would take step to include Baira president in the taskforce formed to face the global crisis fallout.

Earlier, Baira President Golam Mostafa placed a set of proposals with the government through the minister.

The proposals include cancellation of Code of Conduct in Recruiting Agent and License Procedure (Section-7), resolving the problem of visa cancellation of Bangladeshis by Malaysian government, giving priority to creating labour market in Saudi Arabia, cash intensives for recruiting agencies and introduction of One Stop Service.

New execs of National Housing Finance



Mizanur Rahman and Md Kabir Reza.

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National Housing Finance and Investments Ltd has recently elected Mizanur Rahman and Md Kabir Reza as chairman of the company's Executive Committee and Audit Committee respectively, according to a press release.

Rahman, an economics graduate from Dhaka University, is an associate of the Chartered Institute of Bankers, UK. He is also the managing director of Shaw Wallace Bangladesh Ltd.

Reza, a post-graduate in accounting, is a qualified accountant from the Institute of Cost and Management Accountants of Bangladesh. He is also the finance director of Square group.

Dhaka to take part in World Expo-2010 in Shanghai

UNB, Dhaka

Bangladesh will participate in the World Expo-2010, a mega event to be held from May-October in Shanghai, China.

An agreement to this effect was signed by the Federation of Bangladesh Chambers of Commerce and Industries (FBCCI) with a representative of the World Expo-2010 at the Ministry of Commerce yesterday.

FBCCI President Annisul Haq and Deputy Director of International Participation Division of the World Expo-2010 Zhou Xiangrui signed the agreement for their respective sides.

The government earlier made Annisul Haq commissioner general, Bangladesh Chapter of World Expo-2010.

Commerce Secretary Firoz Ahmed, FBCCI First Vice President Abul Kashem Ahmed, Vice President Abu Alam Chowdhury and Vice Chairman of Export Promotion Bureau Mohammad Sahab Ullah were, among others, present at the signing ceremony.

World Expo, Shanghai, China is a thematic fair and the theme for 2010 is Better Cities Better Life.

The fair will provide a unique opportunity for Bangladesh entrepreneurs to display their products and manage the pavilion for a segment of period in accordance with their capacity and to make direct interaction with the foreign buyers and visitors.

Barua rejects EC claim on quality standard law

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Industries Minister Dilip Barua yesterday rejected the allegation of the Delegation of the European Commission to Bangladesh that the existing rules and regulations of the country are not enough to maintain global quality standards for its export products.

"Bangladesh is having relevant acts/ordinances on accreditation, metrology and product certification system. A good number of consultants at different times came to Bangladesh and reviewed these laws. They expressed their opinion in favour of these laws," Barua read out a written statement.

He was speaking as chief guest at a high level meeting on "ensuring access to export markets" in Dhaka organised by the Delegation of the European Commission (EC) to Bangladesh.

Before Barua's speech, Stefan Frowein, ambassador and head of the EC delegation, said: "The laws in Bangladesh governing accreditation, metrology, testing and certification are presently inadequate to meet international norms."

For testing and certification from Bangladesh to be



Industries Minister Dilip Barua (R) speaks at a high level meeting on ensuring access to export markets in Dhaka yesterday, while European Commission delegation chief in Bangladesh Stefan Frowein looks on.

internationally recognised, the laws and regulations covering these activities must follow global norms, Frowein added.

"Mere revision of the current laws may not succeed in rendering the testing and certification regime prevailing in Bangladesh compatible with global standards," he said, suggesting a thoroughgoing overhaul of the existing legal framework that will ensure that the law conforms to EU and international standards.

Frowein said maintaining quality of Bangladeshi products would benefit the local manufacturers in the long run, leading them to a direct

and free access to international markets.

Jean Michel Virieux, an international expert in legal framework of conformity assessment, also said Bangladeshi laws do not currently meet international norms that the minister rejected.

What Bangladesh lacks might be a policy or framework document but not law, the industries minister defended.

However after the discussion, Barua said the government would do everything possible, including ratifying and amending laws to retain and expand the country's export markets.

BWCCI stresses need to train women in exports

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Women entrepreneurs need to be supported and educated on the export market, said the Bangladesh Women Chamber of Commerce and Industry (BWCCI) president yesterday.

"They have to develop an export-oriented mindset," said Selima Ahmad.

BWCCI organised a project dissemination workshop in cooperation with the European Union to facilitate women's participation in exports, it said in a statement.

The workshop was organised at the BWCCI conference room and focused on international trade, fair trade, gender equality and CSR.

The workshop was designed to spread awareness on international trade and business ethics to facilitate increased participation of women entrepreneurs in the export market.

Although the situation is improving, women entrepreneurs need to be educated on business plans, product development, branding, labelling, product quality control, and e-commerce, Ahmad said.

She said comprehensive plans and effective measures will bring success to women entrepreneurs.

The participants stressed a gender-friendly business environment in which they can run their businesses ethically and expand in the global market.

The workshop concluded that entrepreneurs should achieve export quality. BWCCI urged the government and other development organisations to add special measures to expand their capacity and develop the market.

Women entrepreneurs and delegates from the different business organisations and associations participated in the workshop.

Castrol GTX CNG engine oil hits local market

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Rahimafrooz Distribution Ltd, a concern of Rahimafrooz Bangladesh Ltd, has recently launched Castrol GTX CNG engine oil in the local market, says a press statement.

Commerce Minister Faruk Khan unveiled the product at the 4th Lucas Dhaka Motor Show 2009 that began Wednesday in the capital.

Rahimafrooz, the exclusive franchisee of the lubricant brand Castrol in Bangladesh, has introduced the specially designed product to ensure longevity and superior protection under extreme heat.

Castrol GTX CNG comes with advanced Heat Guard formula that helps withstand high temperatures and protection against consequent wear and tear. It also increases engine life and cuts maintenance costs, said the statement.

Minister suggests high penalty for lapses in product quality

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In case of lapses in quality specifications, the extent of punishment under a new law on consumer rights protection should be high, suggested the commerce minister yesterday.

"I think the extent of punishment should be set high, especially for the makers of products that threaten life," Faruk Khan told a discussion on Consumer Rights Protection Ordinance 2008 at the National Press Club in the capital.

The much-awaited Consumer Rights Protection Ordinance, which was passed by the immediate caretaker government, has recently been tabled in parliament for ratification.

The Consumers Association of Bangladesh (CAB) organised the programme, where Rasheda K Chowdhury, former adviser of Fakhruddin-led caretaker administration, News Today Editor Reaz Uddin Ahmed, Unnayan Shamunay Chairman Atiur Rahman and Ubinig Executive Director Farida Akhter spoke among others.

CAB President Borhan Ahmed chaired the programme. The ordinance was gazetted on October 13, 2008 after nearly two decades of contemplation by successive elected governments.

It has the provision to charge as much as Tk 2 lakh in fines or three years in jail, or both, for the traders found

guilty of adulterating food and medicine or cheating consumers by any means.

Demands were placed to ensure compliance of labelling rules, opening of help lines and allowing direct filing of cases with the court. Some discussants also suggested bringing some government service providing bodies under the law.

"I am hopeful that the law will be passed in the current parliament session," said Khan.

A parliamentary standing committee is now scrutinising the ordinance.

Atiur Rahman favoured increased competition to help consumers remain free from any monopoly or cartels in price fixing.



Commerce Minister Faruk Khan launches Castrol GTX CNG engine oil, a new product marketed by Rahimafrooz Distribution Ltd at the 4th Lucas Dhaka Motor Show 2009 that began in the capital Wednesday.

Fund launched for entrepreneurs



Bea ten Tusscher, ambassador of Netherlands to Bangladesh, and Annisul Huq, president of Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), are seen at a seminar on B2B promotion, jointly organised by the Netherlands Embassy and FBCCI in Dhaka yesterday.

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The Netherlands Agency for International Business and Cooperation (EVD) yesterday launched a new fund for entrepreneurs in Bangladesh like other developing countries.

Annisul Huq, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), launched the fund called the Private Sector Investment (PSI) programme at Dhaka Sheraton Hotel.

Under the PSI programme, subsidies are available for foreign companies entering into long-term cooperation with local partners in developing countries, said Bea ten Tusscher, ambassador of the Netherlands in Dhaka.

Under the programme, a company from Bangladesh needs to have an international project partner to be in a position to apply, she said.

"The preferred, yet not exclusive, sectors for Bangladesh are agriculture and agro-business, and information technology," she said.

The objectives of PSI are to stimulate financial growth, create employment opportunities and generate income in developing countries, Tusscher said.

This is achieved by providing companies with an opportunity to make an innovative investment together with a local partner. The EVD carries out the PSI for the Dutch Ministry of Foreign Affairs / Development Cooperation, she said.

Tusscher said maximum budget for per project is 1.5 million euros of which 50 percent will be provided in the form of a grant. The PSI has two granting procedures a year.

Intake documents and PSI programme guideline can be found at www.evd.nl/psi.

New Zealanders urged to invest more

UNB, Dhaka

President Zillur Rahman yesterday urged New Zealand's entrepreneurs to invest more in Bangladesh availing of the generous investment facilities the government offers.

Informing the newly appointed high commissioner of New Zealand about Bangladesh's firm commitment towards fighting against terrorism, the President emphasised more international cooperation in this regard.

He made the observations about cooperation when newly appointed High Commissioner of New Zealand to Bangladesh Rupert T. Holborow presented his credentials to the President at Bangabhaban.

The President sought assistance and personal initiatives of the new envoy for inflow of investment from New Zealand to Bangladesh.

Pointing out that the existing bilateral trade is very low, Zillur Rahman hoped that the high commissioner may like to undertake efforts to increase the two-way trade.

During the meeting, the President welcomed the envoy and mentioned that the bilateral relations between the two countries are excellent.

Rupert T. Holborow, based in New Delhi, assured President Zillur Rahman that his government would extend more cooperation in strengthening the existing bilateral relations.

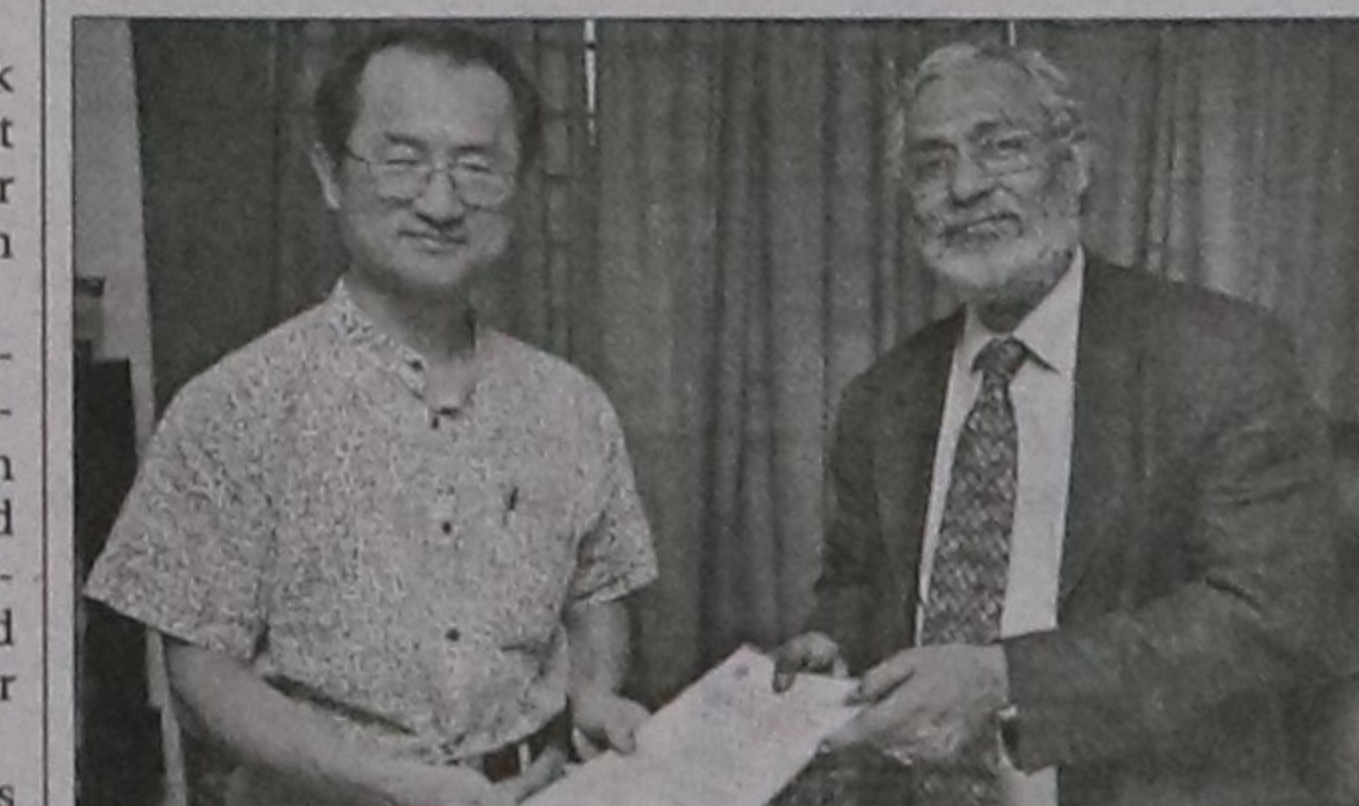
India inflation nears zero

AFF, New Delhi

Inflation in India has dropped close to zero, official data showed Thursday, as Asia's third-largest economy continued a sharp slide towards deflationary territory.

Annual inflation fell to 0.44 percent for the week ended March 7 from 2.43 percent the previous week, according to the Wholesale Price Index, the most watched cost-of-living measure.

The fall stoked expectations the central bank would cut interest rates again in a bid to jolt the economy out of a looming deflationary period.



Dr Nobuto Iwata, director, WTO Research Centre, Aoyama Gakuin University, Japan, and Dr M Shamsur Ali, vice-chancellor of Southeast University, Bangladesh, exchange documents after signing a memorandum of understanding (MoU) in Dhaka yesterday. Under the MoU, the WTO research centres of the two universities will cooperate for the next two years.