

# MCCI suggests cut in costs of deep-sea port

STAR BUSINESS DESK

The Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI) suggests the government explore options to reduce the cost of constructing the first phase of the planned Deep Sea Port (DSP), as it finds the return on investment on the project too low to attract investors.

The physical construction of the first phase will be completed by 2016 at a cost of \$2.2 billion, while the entire project will require an investment of about \$8.8 billion, according to the editorial in the May issue of Chamber News, an MCCI publication.

A feasibility study conducted by Pacific Consultant International (PCI) of Japan has recommended Sonadia Island, 130 km off Chittagong port and in between Cox's Bazar town and Maheskhal island in the Bay of Bengal, as the most suitable spot for the proposed seaport.

The MCCI notes that the economic rationale of the proposed deep seaport is fairly well supported by the feasibility study. The chamber also noted the keenness of the government in the proposed port expressed by the remarks made by the minister for shipping and the economic affairs adviser to the prime minister at a seminar that the port might be a major vehicle for Bangladesh's economic development.

The draft final report provides for

the construction of two water breakers at the mouth of Sonadia channel to protect the DSP from tidal upsurge and waves. It is suggested that if only one break-water could serve the purpose, the cost would be cut by \$147 million.

The cost of dredging the channel may also be reduced by considering construction of RCC pile supported jetties, which may bring down the total project cost in the first phase even below \$1.5 billion.

The proposed DSP, scheduled to be completed in three phases, will graduate Bangladesh to a major player in the regional trade and act as a gateway accelerating intra-regional and international trade, the Chamber News also remarked.

The first phase of the project will be completed by 2020, and the second and third phases will be completed during 2021-2035 and 2036-2055 respectively.

The feasibility study observes that medium and large vessels cannot enter Chittagong and Mongla ports due to relatively low water levels in Karnaphuli and Pashur channels, which forces exporters and importers to depend on feeder vessels to carry out their overseas trade.

It says while the two ports of Chittagong and Mongla together will be able to handle about 72 percent of the general cargo tariff in 2020, they will be in a position to handle only 36 percent of the cargo traffic in 2035, and just

19 percent in 2055.

Referring to the feasibility report, the metropolitan chamber pointed out that the proposed DSP will be economically beneficial, as it will support the Chittagong and Mongla ports in handling the increased volumes of export and import cargo. It will attract large cargo and bulk container vessels that cannot enter the Chittagong and Mongla ports now.

An economic evaluation of the port shows that the DSP project is highly feasible, with the estimated internal rate of return (IRR) at well above the economic hurdle rate of 12 percent. Lower freight rates due to the utilisation of bigger container and general cargo vessels will reduce the cost of imported goods as well as the prices of Bangladeshi exports, raising the exporter's competitiveness in the world market. This will result in higher employment and income.

To mobilise the huge resources required to implement the project, the chamber encourages public-private partnership. The government has committed to bear 30 percent of the project cost and has contacted donor agencies in this regard.

The MCCI also asked the government to immediately form an Interim Port Authority (IPA), who will be made responsible for finding private sector investors to provide 70 percent of the project cost.

## New chief of plastic goods exporters' assoc



Ferdous Wahed

STAR BUSINESS DESK

Ferdous Wahed has recently been elected president of Bangladesh Plastic Goods Manufacturers and Exporters Association, said a statement.

AKM Zahirul Quyum Khan was elected senior vice president, Mohammad Hassan vice president, Shamim Ahmed general secretary, and Mohsin Bhuiyan treasurer of the association.

## First 5-star hotel in Ctg soon

STAFF CORRESPONDENT, Ctg

Bangladesh Sena Kalyan Sangstha commenced the construction of a venture, Water Garden Hotel Chittagong, in the port city on Monday.

Chief of Army Staff General Moeen U Ahmed, also chairman of Army Hotel Development Limited, inaugurated the ceremony by unveiling the foundation stone of the hotel.

The five star hotel, the first of its kind in Chittagong, would be similar to the Hotel Radisson Water Garden in Dhaka. It will be built on over 4.18 acres of land between Zia Memorial Museum and Chittagong Club, sources said.

The Army chief hoped that the hotel would be an attraction for tourists, including those visiting Cox's Bazar and the three CHT districts, and entrepreneurs from both home and abroad.

## Oil above \$59

AFP, London

The price of New York crude oil reached 59.49 dollars a barrel on Tuesday, the highest level for six months as the US currency slid against leading currencies, traders said.

New York's main futures contract, light sweet crude for delivery in June, reached the highest point since mid-November before standing at 59.13 dollars a barrel, up 63 cents on Monday's close.

# Barua advocates lower bank interest for industrial growth

UNB, Dhaka

Industries Minister Dilip Barua yesterday said the bank interest should come down to single digit for the growth of industries.

"I am in favour of single digit bank interest for speedy growth of industries in the country," the minister told leaders of Bangladesh Finished Leather, Leather Goods and Footwear Exporters Association (BFLFEA) who met him at his office.

Barua said the government would start work on setting up a Central Effluent Treatment Plant (CETP) for

unimpeded export of leather goods to European countries after 2010.

He assured the association of removing legal barriers as quickly as possible through discussion with stakeholders.

Barua called for coordinated efforts of the public and private sectors to implement the CETP within the shortest possible time for waste management.

"We're sincerely looking into it to ensure environment-friendly production of leather goods to enter global market without any barrier.

The BFLFEA leaders said

that as the EU imposed restriction on importing leather goods on environmental reason, the government should set up CETP urgently.

They also sought soft loan for development of tanneries and leather factories, compensation for shifting tanneries to Savar, Bangladesh Small and Cottage Industries Corporation Chairman Ashfaq Mohammad Iqbal, Bangladesh Tanners Association

Chairman (BTA) Shahin Ahmed and BFLFEA Chairman Rezaul Karim Ansari were present.



M Syeduzzaman, chairman of BOC Bangladesh Ltd, speaks at the company's 36th annual general meeting in Dhaka yesterday.

# Iceland economy to shrink

AFP, Reykjavik

Iceland's economy will shrink 10.6 percent in 2009, the finance ministry said Tuesday, revising downwards an earlier forecast in January of a 9.6 percent contraction.

"The economic outlook for this year is dark. The economy is suffering because the finance sector is not fully reorganised or recapitalised," the ministry said in its latest economic report.

A North Atlantic island of just 320,000 inhabitants, Iceland saw its economy crash in October when its

three main banks collapsed, bringing to a screeching halt a decade of prosperity in which growth averaged 4.0 percent a year.

Thousands of Icelanders lost their jobs and their savings in the collapse, which also brought down the government. The International Monetary Fund (IMF) came to Reykjavik's rescue in November with a loan of 2.1 billion dollars.

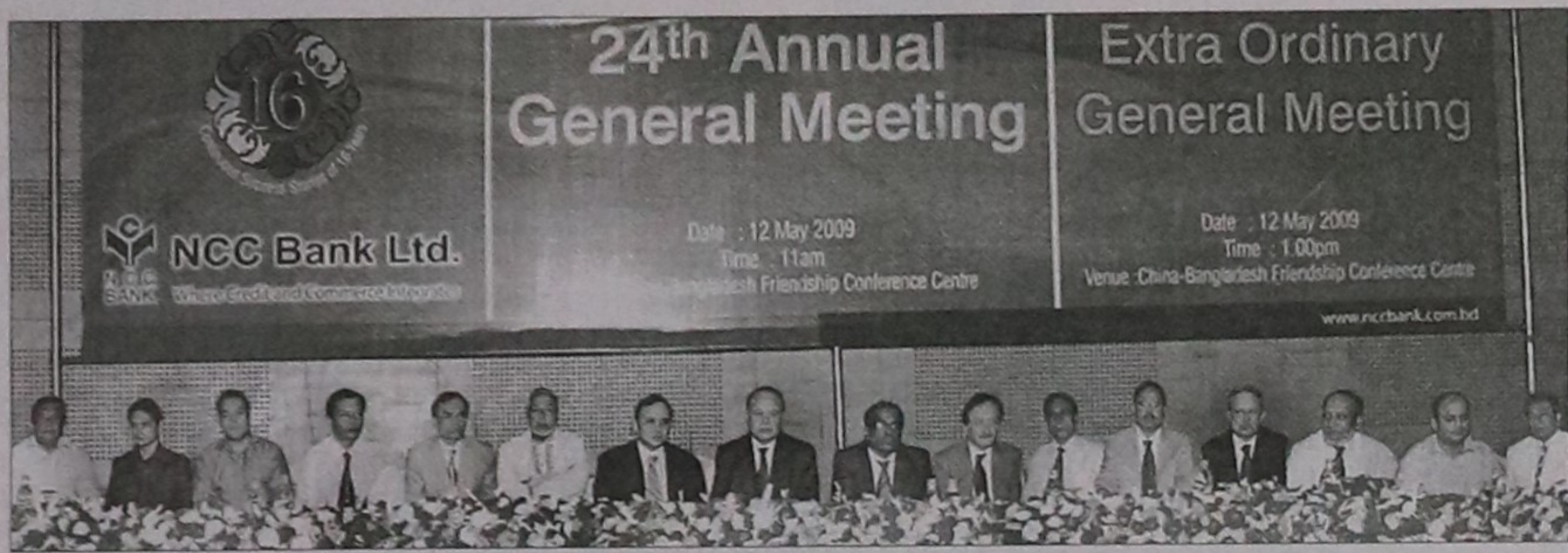
The finance ministry said Tuesday it expected the economy to begin a slow recovery next year, when it predicted the economy would grow 0.5 percent

instead of remaining flat as previously forecast.

"It is expected that recovery will start in full force in 2011, with 5.0 percent (growth)," it said.

Inflation is expected to average 10.2 percent for the full-year 2009 but will be close to 3.5 percent at the end of the year. For 2010, inflation is expected at 1.6 percent, before rising to 1.9 percent in 2011.

Unemployment, which was largely non-existent in Iceland before the crisis, is expected to hit 9.0 percent this year, up from the previous forecast of 7.8 percent.



Tofazzal Hossain, chairman of National Credit and Commerce Bank Ltd, presides over the bank's 24th annual general meeting in Dhaka yesterday. The meeting declared 30 percent stock dividend (bonus share) for the year 2008.

# Economic crisis hits tourism: UN

AFP, Madrid

International tourist arrivals fell 7.7 percent in the first two months of 2009 due to the economic crisis, while swine flu is also starting to affect the sector, the UN World Tourism Organisation said Tuesday.

"We are continuing to experience a situation characterised by a challenge, the depth and duration of which are not known," UNWTO Secretary General Taleb Rifai told a news conference.

The Madrid-based organisation said it expects

international tourist arrivals to decline by 2.0-3.0 percent this year.

"Destinations all around the world have suffered from a decrease in demand in major source markets, with the exception of Africa and both Central and South America," it said in a statement.

It said tourism was off 8.4 percent in Europe in January and February, with the Mediterranean region particularly hard hit, and down 6.7 percent in Asia from January to March.

It warned that the

effects of global economic downturn are still not known.

"Historically, tourism has demonstrated remarkable resilience and has emerged from past crises stronger and healthier. The current economic juncture, however, might be different. This crisis is truly global and its parameters are still in many ways unclear."

In addition to the economic crisis, the swine flu virus is also "starting to affect the sector" as the potential for a pandemic "has created an increasing

degree of confusion around the issue of whether it is safe to travel," it said.

The World Health Organisation said Tuesday the number of worldwide swine flu cases passed 5,000 as the virus spread to three more countries in Europe, Asia and Latin America.

The WHO raised its global alert to five on a scale of six two weeks ago, signalling that a pandemic was "imminent" after Mexico and the United States showed sustained local transmission of the influenza A (H1N1) virus.

**Civil Aviation Authority of Bangladesh**  
Office of the Superintending Engineer  
E/M Circle, Kurmitola, Dhaka-1229

### Tender Notice

01. Agency/Department	Civil Aviation Authority of Bangladesh.					
02. Source of funds	CAAB own fund.					
03. Procurement method	Open tendering method (OTM).					
04. Invitation for tenders Ref & date	No. CAAB/E/M-I/Accts-2/ dated: 10-05-2009.					
05. Eligibility of the tenderers	CAAB enlisted "B" class & above E/M contractors or equivalent class contractors enlisted in any gov't/semi-gov't/autonomous body's having valid "ABC" class electrical contractor's & supervisory licence and at least similar nature of E/M work within last 5 (five) years amounting Tk 6.00 lakh supported by completion certificate issued by an officer not below the rank of Executive Engineer from any gov't/semi-gov't/autonomous department.					
06. Name & address of the office(s) selling tender document	Tender papers will be available from the CAAB office of the Superintending Engineer, E/M Circle, Director, CEMSU, Executive Engineer, E/M Division-II, P.A. to Member (Ops & Plans), P.A. to Member (Finance), P.A. to Chief Engineer & P.A. to Director, ZIA during the office hours. Up-to-date enlistment renewal fee receipt, VAT registration certificate, Income Tax, TIN & experience certificates in original must have to be shown at the time of purchasing the tender document.					
07. Name & address of the office receiving & opening tender	Office of the Superintending Engineer, E/M Circle, CAAB, Kurmitola, Dhaka.					
08. Last date & time for selling tender document	Up to 1700 hours on 01-06-2009.					
09. Last date & time for submission of tender	Up to 1200 hours on 02-06-2009.					
10. Date & time for opening of tender	At 12.30 hours on 02-06-2009.					
11. Brief description of goods & services (works & services)						
Lot No.	Identification of lot	Name of work	Location	Price of tender document in Taka	Tender security amount in Tk	Time for completion in weeks/month/day
1	Package No. 111/CAAB/E/M-II/2008-2009	Emergency maintenance & lifting of 60 HP Deep Well Turbine Water Pump Motor Set with top shaft column pipe, discharge head & re-installation of a new submersible pump motor set in place of unserviceable turbine pump i/c. related works at Kurmitola Residential Area	Zia International Airport	Tk 1000/- (one thousand) only (non-refundable)	Tk 47,500/- (forty-seven thousand five hundred) only	15 (fifteen) days.
12. Special condition	The procuring entity reserves the right to accept any tender or part thereof or reject all the tenders without assigning any reason whatsoever.					
13. Special instruction	In case of any unavoidable circumstances if the transport & communication system are totally disrupted on the last date of receiving & opening of the tender, the tender will be received & opened on the next office day. Other terms & conditions of the tender will remain unchanged.					

CAAB/PR-58/2009/623  
Date: 11-05-2009  
GD-2437

**A K M Abdur Rafique Dewan**  
Superintending Engineer  
E/M Circle, CAAB, Dhaka



Trevor Robert MacDonald, general manager of Dhaka Sheraton Hotel, speaks to the press yesterday ahead of the four-day "Summer Ice Cream Festival" scheduled to kick off on May 14 at the hotel. Ibrahim Khalil, group brand manager for Igloo, is also seen.

# Ice-cream fest to kick off in Dhaka

STAR BUSINESS REPORT

A four-day ice-cream festival will kick off at Dhaka Sheraton Hotel on May 14 amid scorching summer heat.

The festival, co-organised by Dhaka Sheraton Hotel and ice-cream brand Igloo, will offer unlimited ice-cream for Tk 300 per person, said organisers at a press conference yesterday.

"The event, first organised in 2006, had pulled in huge responses and this year

will be even better," said Mahfuzur Rahman, director (sales and marketing) of Sheraton.

On the prices of brand ice creams in the market, Ibrahim Khalil, group brand manager for Igloo, said the product, which is highly temperature sensitive, becomes costlier as the prices of raw materials are spiralling up by the day.

Trevor Robert MacDonald, general manager of Dhaka Sheraton Hotel, was also present.

**E in C's Branch**  
Works Directorate  
Dhaka Cantonment

### Invitation for Tenders

Notice No. 300/Ad/68/E-3 Dated: 10 May 2009

#### Military Engineer Services

1. Ministry/Division	Ministry of Defence.				
2. Agency	Military Engineer Services.				
3. Procuring entity name	E in C.				
4. Procuring entity district	Dhaka.				
5. Procurement method	Open Tendering Method (OTM).				
6. Budget and source of funds	GOB				
7. Development partners (if applicable)	None				
8. Project/programme name (if applicable)	Provision of Furniture for DSCSC & NDC at Mirpur Cantt.				
9. Selling of tender will commence from	19 May 2009 (during office hour).				
10. Selling of tender will close on	08 June 2009 (during office hour).				
11. Last date & time for submission of tender	10 June 2009 at 1200 hours.				
12. Date & time for opening of tender	10 June 2009 at 1230 hours.				
13. Name & address of the office(s)					
-Selling tender document	a. Tender Selling & Information Centre at GE (Army) Project Dhaka & AHQ, E in C's Branch, Works Directorate, Dhaka Cantonment. b. DW&CE (Army)/(Navy)/(Air). c. CMES (Army) Dhaka/CMES(Navy)/CMES (Air).				
-Receiving tender document	Tender Selling & Information Centre at GE (Army) Project Dhaka.				
Opening tender document	Tender Selling & Information Centre at GE (Army) Project Dhaka.				
14. Eligibility of tenderer	a. MES enlisted contractors Class-C & D for lot No. 15(a) and Class D & E for lot No. 15 (b&c). b. On receipt of security clearance, contractors borne in the approved list of gov't/semi-gov't/autonomous body or organization may be apply for tender. c. Satisfactorily completed similar nature of work mentioned in lot No. 15 (a) amounting Tk 5,00,000.00 in a single tender during last 05(five) years.				
15. Brief description of works					
Lot No.	Identification of lot	Location	Price of tender document (non-refundable)	Tender security in the form of Bank Draft/Pay-Order/Bank Guarantee in favour of AHQ, E in C's Branch, Works Directorate, Dhaka Cantt. (Taka)	Completion time in weeks/months
1	2	3	4	5	6
a.	Provision of Furniture for 4 <sup>th</sup> and 5 <sup>th</sup> floor over existing 3 <sup>rd</sup> floor for Bldg No. 503 of NDC at Mirpur Cantt.	Mirpur Cantt	2,000.00	1,50,000.00	06 (six) months
b.	Provision of Furniture for 1x5 BOQ including ancillary works over existing Bldg No. 372 BOQ (3 <sup>rd</sup> floor over 2 <sup>nd</sup> floor) for DSCSC at Mirpur Cantt.	Mirpur Cantt	500.00	15,000.00	04 (four) months
c.	Provision of Furniture for alteration/addition/renovation of NDC's Bldg No. 502, 'A' type qtr at Mirpur Cantt.	Mirpur Cantt	500.00	15,000.00	04 (four) months
16. Name of official inviting tender	Director of Works.				
17. Designation of official inviting tender	Director of Works.				
18. Address of official inviting tender	Army Headquarters, E in C's Branch, Works Directorate, Dhaka Cantonment. Web address: www.army.mil.bd				
19. Contact details of official inviting tender	Tel No. 8752870	Fax No NA	E-mail-NA		
20. The procuring entity reserves the right to accept or reject all tenders.					

ISPRI/Army/09/2347  
GD-2429

**Director of Works**  
Works Directorate  
Engineer in Chief's Branch  
Dhaka Cantonment