

# CHT: Living off handicrafts

JASIM MAJUMDER,  
Khagrachhari

Handicraft business is gaining popularity in 25 upazilas of the Chittagong Hill Tracts (CHT) as the trade proves to be profitable.

At least 500 handicraft centres are selling products worth Tk 45-50 lakh a day, fetching hefty profits mainly for the local indigenous population.

According to businesses in the area, they can easily mark 30 percent of sales turnover as profit as they sell products that are high in quality.

Traders from Chittagong, Rangamati, Bandarban and Comilla come to Khagrachhari, Rangamati and Bandarban to buy local hand-made products. The other buyers are tourists.

Handicraft businessmen said the centres have become shelters for the unemployed men and women in the area.

Ratna Tripura, a seller of Bayon Textiles in Khagrachhari bazar, told The Daily Star that the centres are trying to boost local demand, besides exports.

"Most of our products are made by local indigenous people. The business is helping them become financially independent," she said.

Officials with Bangladesh Small Cottage Industry Corporation in Khagrachhari district said about one lakh indigenous people from 500 villages weave items, including lungi, gamchha, scarf, khaddar, sari, pinon, thami, bedsheet, shawls and decorative pieces.

There are around 60 handloom-textile enterprises, with another 5,000 waist looms in the homes of indigenous people in CHT, according to Bangladesh Small Cottage Industry Corporation.

The indigenous people collect cotton from at least 150 local markets in the three hill districts - Khagrachhari, Rangamati and Bandarban. They use looms made of local bamboo and wood to weave fabrics.

Thousands are directly or indirectly dependent on this business. A major part of the demand for the products in the area is also met by the industry.

Konika Chakma, a fabric weaver from Perachhara in Khagrachhari, said she earns Tk 1,100 on average for every 12 hours of continuous work. A couple can Tk 15,000 a month from this trade, she added.

Many families are able to make a living by weaving, said



Shoppers browse clothes at a handicraft sales point in Sadar upazila in Khagrachhari.

Dr Sudin Kumar Chakma, a retired principal of Khagrachhari Government College.

"Tradition is what guides the people of this area. It has

given them financial stability and they are able to live in peace," he said.

Khagrachhari Hill District Council Chairman Ruhity Karbary said at least 13

minor indigenous communities, including Chakma, Marma, Tripura, Rakhain, Tanchangya, Khumi, Banjugh, Chak and Bome, are involved in the business.

"If the government patronises this sector, the handicraft business could become the most important sector in the Chittagong Hill Tracts," he said.



## SME Foundation gets new chief

STAR BUSINESS REPORT

The government has appointed Afab-ul Islam, a businessman, as chairman of SME Foundation for two years, it said in a statement yesterday.

"I have received the appointment letter," Islam told The Daily Star by phone.

The appointment makes a private-sector representative lead SME Foundation.

"It shows the government's growing confidence in the private sector," said Islam, who will take charge next month.

Industries Minister Dilip Barua is the incumbent chairman of the foundation, which started its journey in 2007.

Islam is the immediate-past president of American Chamber of Commerce in Bangladesh.

## Ansar-VDP Bank branches in CHT next month

OUR CORRESPONDENT,  
Bandarban

Ansar-VDP Bank is going to open its three new branches in Chittagong Hill Tracts (CHT) on the first week of September.

The three branches will be at Bandarban, Rangamati and Khagrachhari districts.

## ICSMB president re-elected

STAR BUSINESS DESK



Mohammad Asad Ullah has been re-elected as president of the Institute of Chartered Secretaries and Managers of Bangladesh (ICSMB) at its 123rd meeting for 2009-2010, said a press release.

Earlier, Asad, a fellow member of ICSMB, performed successfully as the institute president for two terms (2006-2007 and 2008-2009).

He has been serving as executive director and company secretary of Beximco Group of Companies.

## RMG workers demand arrear payment by Ramadan 25

UNB, Dhaka

Leaders of Samannito Garments Sramik Federation yesterday urged the garments owners to pay all the arrears of all workers by Ramadan 25.

The demand came from a meeting of the Federation here with its president Rafiqul Islam Pathik in the chair.

General Secretary Gulshan Ara Doly, Mohammad Syed, Mohammad Akash, Momtaz

Begum, Shahana Parveen and Anwar Hossain were among others present in the meeting.

The leaders demanded forming wage board and payment of Tk 5,000 as minimum wage for the workers as they are passing their days in hardship with meagre monthly salaries.

They also demanded payment of salaries of the workers by 7 of each month and 10 percent increase in their salaries each year.

## Bangladesh team off to Turkey

UNB, Dhaka

A three-member delegation led by Industries Minister Dilip Barua left Dhaka yesterday for Turkey to attend the 78th Izmir International Fair-2009, where they will have trade-promotion talks with ministers of different participating countries.

During the four-day visit, the delegation is supposed to discuss development and trade expansion issues.

The other members of the delegation are Jahid Maleq MP and Golam Dastigar Gazi MP.

The minister will attend the opening ceremony of the 10-day trade show in the Turkish city.

Turkey has a longstanding relation with Bangladesh.

Bangladesh-Turkey trade agreement was signed on July 27, 1976.

Besides, the two countries have agreements on air

transport, cultural exchange programme, technical and defense industry cooperation, avoidance of double taxation and simplification of visa procedures and for the businessmen of D-8 member states.

According to the industries ministry officials, the flow of trade between Turkey and Bangladesh has been on the increase for the last few years, the balance of payments being in favour of Bangladesh.

The two-way trade was about \$266 million in 2008-09. The present trade volume between Turkey and Bangladesh is US\$ 517 million (up to March 2009).

The delegation will hold meeting today with Turkish Industries and Trade Minister Nihat Ergun, Izmir Mayor Aziz Kocaoglu and President of the Aegean Region Chamber of Industries Ender Yorgancilar.



State Minister for Women and Children Affairs Shirin Sharmin Chowdhury visits a stall after inaugurating a 10-day fair of women entrepreneurs' products on Bailey Road in Dhaka yesterday.

## Eid fair kicks off in Dhaka

STAR BUSINESS REPORT

A 10-day fair of women entrepreneurs' products began in Dhaka yesterday, targeting the Eid.

Participants are showcasing products including dresses, fabrics, food items, cosmetics, ornaments, utensils, and household decorative items, on the premises of Jatiya Mohila

Sangstha, a national platform of women, on Bailey Road.

A total of 60 women entrepreneurs took part in the show, which is open from 10am to 8pm everyday without any entry fee.

State Minister for Women and Children Affairs Shirin Sharmin Chowdhury inaugurated the fair, while Secretary of the ministry

Rokeya Sultana was also present.

"We have been participating in the show for the last five years as it has proved very important for us to expand our business and make products known to others," said a salesperson of Eva Herbal that manufactures and sells herbal beauty products.



Md Abdur Rahim, director of MGH group, and Ashok Sehgal, business manager of P&G Asia Development Market, unveil a target for their team in Dhaka recently as part of their joint business. Brands sold by P&G in Bangladesh are Pantene, Head & Shoulders, Rejoice, Whisper, Pampers, Olay and Gillette.

## Nepal's garment industry sees recovery

ANN/THE KATHMANDU POST

With the recession in the US and the EU showing signs of slowing down, Nepali garment manufacturers have started to receive fresh inquiries and orders from their overseas buyers.

The new inquiries from the US mean a lot to Nepal's garment industry since it is the largest market for Nepali readymade garments. Inquiries from India are also starting to trickle in.

"We've been getting inquiries from US buyers of late," said Prashant Pokhrel, president of the Garment Association of Nepal (GAN). The easing of the recession and the tabling of a bill at the US Senate to allow preferential entry for Nepali gar-

ments are the reasons for the sudden increase in inquiries, said garment manufacturers.

However, garment manufacturers aren't too excited despite the surge in inquiries and orders. "First, these inquiries should be confirmed; and we should be in a state to fill the orders by the stipulated time," said Pokhrel.

Buyers and manufacturers both are still reluctant to make a deal. "The importers are still hesitant to place orders and we manufacturers are also unsure because of the political situation in the country," said Udayraj Pandey, vice president of GAN.

Pandey added that they had been getting more

inquiries than orders. Even the orders they have received are for small quantities which are not enough to keep the factories running round the year. "Without bulk orders, we can't reopen our factories," said Pandey.

As of now, only seven to eight garment factories are in operation. However, garment manufacturers say that around three dozen garment factories can resume production at short notice if bulk orders start flowing in.

Garment exports to the US declined by 56 percent in the first seven months of 2009. The latest statistics of GAN shows that Nepal shipped readymade garments worth US\$ 4.1 million

during the period against US\$ 9.4 million last year. However, there was a jump of 8 percent in July after a continuous double-digit decline for eight consecutive months.

Garment manufacturers are also hoping exports to India will pick up if India removes the 4 percent additional special duty as a result of the talks held by Prime Minister Madhav Kumar Nepal during his recent visit.

"The Indian commerce secretary has assured our commerce secretary regarding this," said Pokhrel. For the last three years, India has emerged as one of the largest buyers of Nepali garments with exports almost matching those to the US.

## Diageo raises profits despite downturn

AFP, London

Diageo, the world's biggest maker of alcoholic drinks, on Thursday posted a modest increase in annual net profits, as cost-cutting helped shrug off the impact of the global downturn.

The maker of Guinness, Baileys liquor and Smirnoff vodka said net profit rose 6.6 percent to 1.621 billion pounds (1.844 billion euros, 2.628 billion dollars) in the 12 months to June, compared with the previous financial year.

Revenues swelled 15.4 percent to 12.283 billion pounds, aided by beneficial exchange rate movements.

## News in Brief

### Australian investment in surprise 3.3pc rise

AFP, Sydney

Australian business investment showed a surprise jump of 3.3 percent quarter-on-quarter Thursday, increasing the likelihood that the economy will avoid a technical recession.

Analysts had tipped a 5.0 percent fall in private new capital investment, but the Australian Bureau of Statistics said spending on equipment and machinery had boosted the figure for the June quarter.

Economists said the rise, indicating increased economic activity, meant Australia was less likely to post a quarterly contraction in figures released next Wednesday. "I think the outlook, given capacity utilisation may well be starting to turn the corner, suggests some potential upside (to second-quarter growth)," said David De Garis, National Australia Bank senior economist.

Australia registered surprise 0.4 percent growth in the three months to March, becoming the only major Western nation at the time to avoid recession during the global slump.

The government, in its official budget forecasts, flagged a 0.5 percent contraction in 2009-2010 before a rise to 2.25 percent growth in 2010-2011.

De Garis said he expected next week's growth figures would show a gross domestic product rise of 0.5 percent on-quarter.

### SAIC H1 profit down 26pc on Ssangyong investment

AFP, Shanghai

SAIC Motor Corp, China's biggest automaker, said its first-half net profit dropped 26 percent from a year earlier due to write-offs related to its ailing South Korean unit Ssangyong Motor.

SAIC posted a net profit of 1.45 billion yuan (212.2 million dollars) in the six-month period, down from 1.97 billion yuan earned in the first half of last year, it said in a statement filed Wednesday to the Shanghai Stock Exchange.

Revenue rose 6.7 percent in the period to 61.3 billion yuan, boosted by government incentives such as a cut in taxes on small cars and subsidies for buyers of fuel-efficient vehicles in rural areas, it said.

The company blamed the decline in earnings on its investment in Ssangyong Motor, in which it holds a 51.3 percent stake but lost management control when the firm sought bankruptcy protection.

It booked a loss on paper of 1.2 billion yuan for the period from its investment in South Korea's smallest automaker, the statement said.

Ssangyong resumed production this month after 83 days due to a crippling and violent strike, but analysts said its future remained uncertain as the company will struggle to win back consumers amid weak global auto sales.

### British watchdog eyes tax on banks to curb bonuses

AFP, London

Britain's financial watchdog on Thursday waded into an international row over bank bonuses ahead of a G20 summit, saying it would support moves to impose extra taxes in an attempt to curb excessive pay.

"If you want to stop excessive pay in a swollen financial sector you have to reduce the size of that sector or apply special taxes," Adair Turner, chairman of the Financial Services Authority (FSA), told Prospect magazine.

"Higher capital requirements against trading activities will be our most powerful tool to eliminate excessive activity and profits."

"And if increased capital requirements are insufficient I am happy to consider taxes on financial transactions," Turner added.

Excessive risk-taking, resulting in massive bonuses for bankers, has been blamed for helping spark the global financial crisis that led to multi-billion dollar government bailouts of world banks.

A meeting of G20 finance ministers next week, before a summit of the world's biggest economies in September, will discuss the issue of bankers' bonuses.

### US new home sales leap 9.6pc

AFP, Washington

Sales of new US homes surged 9.6 percent in July, according to government data Wednesday that showed further signs of recovery in the troubled housing sector.

Sales of new single-family homes rose to a seasonally adjusted annual rate of 433,000, the Commerce Department said. That was well above analyst estimates of 390,000.

Nonetheless, the figure was 13.4 percent below the sales pace of a year ago, and gains came amid price cuts.

The median sales price of new houses sold in July 2009 was 210,100 dollars, down slightly from 210,400 in June and 11 percent below last year's median price.

The average sales price of 269,200 dollars was down 2.7 percent from a month earlier and off 10 percent from a year earlier.

Inventory levels came down in July, reducing the glut of new homes for sale.

The seasonally adjusted estimate of new houses for sale at the end of July was 271,000, a supply of 7.5 months at the current sales rate.



Workers build a wall at a construction site near the central business district in Beijing yesterday. The Chinese economy has held up well amid the global downturn, expanding 7.9 percent in the second quarter, up from 6.1 percent in the first, mainly due to huge government stimulus measures to boost domestic spending.