

Japanese urged to set up auto spare parts making plants

STAR BUSINESS REPORT

Automobile workshop owners and spare parts sellers yesterday urged Japanese vehicle manufacturers to set up spare parts making plants in Bangladesh to ensure a smooth supply of genuine auto parts to local market.

Counterfeit automobile parts with the brand names of famous companies are now dominating the market, causing huge troubles to workshop owners and vehicle users, they told a seminar in Dhaka.

"Almost 90 percent of the total vehicles are of Japanese origin and more significantly from Toyota. So the Japanese auto giant can set up a spare parts plant in the country to benefit its

customers," said Belayet Hossain, president of Bangladesh Automobiles Workshop Owners Association.

Over one lakh buses and trucks and 16 lakh other vehicles are on the country roads now and most of those are imported from Japan, said Anisur Rahman, an adviser to Bangladesh Motor Parts and Tyre Tube Merchants Association.

Nippon Piston Ring Co Ltd of Japan and Hajeer Automobiles jointly organised the seminar, attended by the automobile sector people.

Rahman also said workers and technicians of the sector are working efficiently with their first-hand experience although they do not have any formal training on automobiles.

Abdur Razzaq, president of Bangladesh Engineering Shilpa Malik Samity, urged the people concerned to take the issue of setting up spare parts plant seriously.

"Certainly we have to stand against the fake spare parts manufacturers and suppliers and stop their malpractices," said Abdul Haque, president of Japan-Bangladesh Chamber of Commerce and Industry.

Japan Ambassador Tamotsu Shinotsuka said the Japanese manufacturers make standard products, which are renowned across the world.

Takayuki Harada, director and general manager of Nippon Piston Ring, also spoke at the seminar.



Fakhor Uddin Ali Ahmed, president of Chittagong Stock Exchange, hands over the listing confirmation letter to Oddvar Hesjedal, chief executive officer of Grameenphone, in Dhaka yesterday. (Story on B1)



Finance Minister AMA Muhith hands over the South Asian Federation of Accounts Best Bank Award 2008 to Managing Director of Prime Bank Ltd M Ehsanul Haque at a ceremony in Dhaka recently.

TCB looks to get 3,000 tonnes sugar from refineries

UNB, Dhaka

The Trading Corporation of Bangladesh (TCB) looks for 3,000 tonnes of sugar before Eid-ul-Azha to give people some sort of relief from the soaring prices of the essential item.

Official sources said the government's trading arm has already sent letter to Bangladesh Sugar Refiners Association seeking this amount of sugar as early as possible.

"We hope to get the sugar soon and distribute it through dealers across the

country as we did during the month of Ramadan and before Eid-ul-Fitr," a TCB official told the news agency yesterday.

But, he could not say for sure if the huge consignments of sugar, lentils and soybean oil, for which TCB opened LCs before Ramadan, would arrive in the country before the Eid-ul-Azha.

Before the Ramadan buying binge, TCB opened LCs for importing 5,500 tonnes of lentils from Nepal, 25,000 tonnes of soybean oil from Malaysia

and 37,500 tonnes of sugar from Brazil.

Asked about the inordinate delay in shipment of the consignments, the official said the suppliers are taking time to make their shipments, as they are making some amendments to the orders.

The state-run agency distributed around 6,500 tonnes of oils and 3,500 tonnes of sugar in Ramadan through their dealers.

Some of those items were collected from the local market and some others from their stock.

Strong dollar very important for US: Geithner

AFP, Tokyo

US Treasury Secretary Timothy Geithner said here Wednesday that a strong dollar was "very important" to the United States, seeking to reassure Asian nations concerned about the greenback's recent slump.

"I believe deeply that it's very important for the US and the economic health of the US that we maintain a strong dollar," Geithner told reporters.

Given the dollar's key role in the world financial system, "we bear special responsibility for trying to make sure that we are implementing policy in the US that will sustain confidence" among global investors, he said.

US officials regularly express their backing for a "strong dollar" but have done nothing to arrest its slide, which many see as necessary to reduce the big US trade deficit.

The dollar has plunged about 15 percent against a basket of six other major currencies from a peak earlier this year, sparking

concern among Asian countries who have big holdings of dollars in their foreign exchange reserves.

The dollar's weakness is also bad news for many Asian exporters, which are struggling to maintain their competitiveness, particularly against Chinese rivals benefiting from the relative stability of the yuan.

Geithner also said he believed China recognised it would be beneficial for its economy to allow greater flexibility in the yuan exchange rate.

He said China was playing a key role in driving the global economy and economic reforms in Asia's second largest economy would take some time.

"China has laid out this very broad direction of reforms" to boost domestic demand, Geithner said.

"It's a very complicated mix of policy changes. As part of that, they've recognised that it's in their interest over time to move to a more flexible ... exchange rate."

ADB pledges continued support to SME

UNB, Dhaka

Asian Development Bank (ADB) will continue its support for development of small and medium enterprises (SME) in Bangladesh.

Newly appointed ADB Country Director Paul J Heytens said this yesterday during a meeting with SME Foundation Chairman Aftab ul Islam at the foundation office, according to a press release.

The ADB top official in Bangladesh also expressed his satisfaction observing the activities, programmes, mission, vision and objectives of SME Foundation.

During the meeting, they exchanged ideas about issues like capacity building, women entrepreneurship, poverty elevation and income or job generation, co-ordination, monitoring system, encouragement and the process of providing necessary assistance and guidance for the SME development and its promotion.

The ADB official said the proper nursing and development of SMEs and SME sector and upholding women empowerment would help boosting up the activities, programmes, mission, vision and objectives of SME Foundation.

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and reduce the risk of unemployment issues.

Referring to the role of SMEs in poverty eradication and women empowerment, Paul J Heytens hopes all the stakeholders will work together to ensure speedy implementation of the SME development in Bangladesh.

Aftab ul Islam said, "The SME Foundation and also our country is sincerely grateful to ADB for its continuous support and cooperation."

Managing Director of the foundation Prof Dr Momtaz Uddin Ahmed and Financial Management Officer of ADB MM Zillur Rahman were also present.



A Rouf Chowdhury, director of Bank Asia, inaugurates the bank's first SME Service Centre at Sirajdikhan Bazar in Munshiganj yesterday. Erfanuddin Ahmed, managing director of the bank, is also seen.

Sylhet housing fair starts

STAFF CORRESPONDENT, Sylhet

A housing fair, Abashon Mela-2009, started in Sylhet yesterday.

The fair was designed to provide information on different projects and housing companies in Sylhet and Dhaka, organisers said.

State Minister for Housing and Public Works Abdul Mannan Khan inaugurated the four-day event. Sylhet City Corporation Mayor Badar Uddin Ahmed Kamran and Sylhet Apartment and Real Estate Group

(SAREG) President Shahrir Hossain Chowdhury spoke at the function at Hafiz Complex in Sylhet.

The fair was co-organised by the Bangladesh Real Estate Directory (BD-Red) and SAREG. It will remain open from 11am to 10pm every day.

The organisers said several housing fairs had been organised in the US, UK and UAE in the past years to woo non-resident Bangladeshis. BD-Red also arranged housing fairs in Dhaka, Chittagong, Sylhet, Khulna and Bogra.

AFP, Singapore

Asia's rapid recovery from the economic crisis carries new risks of overheating, and governments must carefully unwind their huge stimulus injections, the head of the World Bank warned Wednesday.

Robert Zoellick said there were signs in some markets of a "substantial" rise in equity and property prices that could lead to asset bubbles -- the very ingredients that triggered the global crisis in the first place.

The International Monetary Fund on Tuesday said Hong Kong faced a potential surge in property prices and endorsed a government plan to cool

any overheating in the market.

And in September, the head of the UN's trade and development think-tank also cautioned against a new financial bubble following the massive liquidity that was pumped into the economic system to counter the global crisis.

"In East Asia, if you start to get a strong rebound in growth, and you've got a lot of liquidity, there is the question of whether one could start to face asset bubbles in particular markets," Zoellick told the Foreign Correspondents Association of Singapore.

He said this was one reason why Australia had become the first indus-

trialised nation to raise interest rates since the crisis erupted, but the response could differ among countries.

"I think one of the questions here will be the timing of how they manage the interest rates and the risk that they could get some inflation and even asset bubbles which obviously, if they become a serious issue, could undermine confidence going forward," he said.

"It's a fine balance, so I'm not suggesting there's an easy answer to this."

Asia has rebounded faster than the rest of the world from the global slump, and there are fears the multi-billion-

dollar government spending packages could be terminated prematurely as confidence returns.

Zoellick said Asian governments must take care in winding down the packages, which were implemented to soften the impact of the downturn that was triggered in part by problems in the US property market.

Most of the packages will run until next year, and governments must find a way to transition smoothly back to growth led by the private sector, he said.

"And so when that stimulus money has run its course, then the question will be, will the private sector rebuild demand?"

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Islami Bank My Bank

Prof Abu Nasser Muhammad Abdus Zaher, chairman of Islami Bank Bangladesh Ltd, and Mohammad Mustafha Bintube, chief executive officer and team leader of Jaiz Bank International of Nigeria, are seen among others at the inaugural ceremony of a week-long Manpower Development Programme, organised by the local bank's training and research academy in Dhaka recently.

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