

Dhaka, Seoul vow deeper ties ADB warns Asia on volatile capital

UNB, Seoul

Prime Minister Sheikh Hasina and South Korean President Lee Myung-bak yesterday vowed to strengthen bilateral economic and trade cooperation between the two countries for mutual benefit.

The two leaders, at a one-hour summit talks at the President's Office in Seoul echoed the motive from their opening remarks while discussing the entire range of bilateral issues.

The Korean president praised Hasina's leadership enabling the country to achieve 6.5 percent economic growth last year despite the global economic turmoil.

"This is a remarkable achievement," he said. About 150 Korean companies are operating in Bangladesh creating 100,000 jobs.

"Sheikh Hasina's visit has created a good opportunity to make exchanges on development issues."

The Korean economy was in bad shape in the 1960s but with the passage of time its economy had overcome the difficulties and now stands on strong footing, added Lee.

Lee said he would convey the contents of Hasina's keynote speech at the 66th ministerial session of ESCAP, to the G-20 meeting to be held in November.

Hasina focused on a quick disbursement of climate fund.



Commerce Minister Faruk Khan, seated extreme left, and Korean Commerce Minister You Myung Hwan, seated extreme right, sign a deal at the President's Office in Seoul, Korea yesterday. Prime Minister Sheikh Hasina, second from left, and President of South Korea Lee Myung-Bak, second from right, are also seen.

AFP, Seoul

Emerging Asian economies should stay on guard and ready to act if volatile capital inflows threaten to destabilise the region's financial markets, the Asian Development Bank (ADB) warned Tuesday.

Emerging Asia's capital markets have posted rapid gains as economic recovery in the region has gathered pace, drawing massive investment from overseas, the bank said in a report released in Seoul Tuesday.

Foreign investors have rushed back into emerging Asian markets, attracted by the region's swift recovery from the global crisis, a return of risk appetite and very low returns on assets in developed economies, it said.

"While the return of capital flows is welcome, surges in short-term capital inflows could potentially leave countries vulnerable

to a sudden reversal in portfolio investment and to sharp currency movements," Srinivasa Madhur, Senior Director of the ADB's Office of Regional Economic Integration, said in the report.

Recent surges of capital have been driven by equity flows as investors take advantage of widening earnings potential between emerging Asian and mature markets, the report said.

The ADB said managing the hefty inflow was "the key challenge."

Emerging Asian equities yielded a 73 percent return in US dollar terms in 2009 while local currency bond issuance of 3.69 trillion dollars was 41.4 percent higher than in 2008, the report said.

"The hefty investment from overseas has put significant upward pressure on the region's currencies," it said.

Mahmud takes over as CAAB chief

STAR BUSINESS REPORT

Air Commodore Mahmud Hussain yesterday took over as the chairman of Civil Aviation Authority of Bangladesh (CAAB), the country's regulatory body for all civil aviation activities.

Earlier Hossain was made CAAB chief for three months during the regime of the last caretaker government.

Air Commodore Sakeb Iqbal Khan Majlish, who was appointed CAAB boss in 2009, yesterday handed over the charge to Hussain, officials at CAAB said.

The government on Monday in an order reverted the job of Majlish to the Air Force, said the officials.

The new CAAB chief said: "I am taking charge today [yesterday]. Let me observe the complete situation of the organisation and then I will set the next course of action."

It is a common allegation from aviation experts and Biman Bangladesh officials that CAAB failed to perform well as the regulatory body for the country's civil aviation sector in the last few years.

They also said the Air Force officials are appointed as CAAB high-ups on deputation for a certain period of time. But many of them are not sincere.



Akku Chowdhury, executive director of Transcom Foods, poses with models and a singer at the launch of Pizza Hut's new menu at its Gulshan outlet in Dhaka yesterday.

Pizza Hut unwraps new menu

STAR BUSINESS REPORT

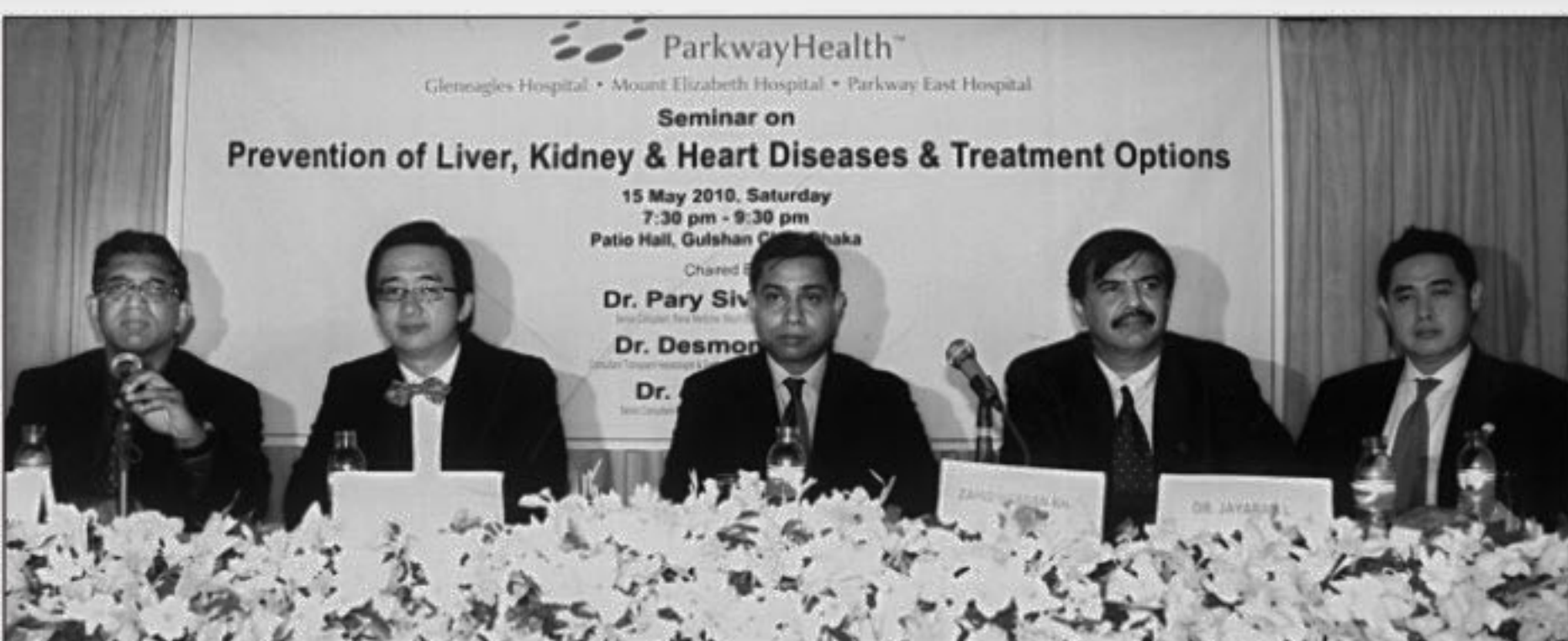
Pizza Hut, an international chain restaurant franchised by Transcom Foods in Bangladesh, has added eight new pizzas and five new beverage items to its menu.

Akku Chowdhury, executive director of Transcom Foods, unveiled the new menu at Pizza Hut's Gulshan outlet yesterday in the presence of food lovers.

Golden Surprise, the main attraction on the new menu, is a pizza sprinkled with golden cheese flakes and a marinated chicken sausage filled at the crust.

"Golden Surprise is just one of the surprises we have had up our sleeve. There is still many more to come for all pizza and pasta lovers," said Chowdhury.

Lemon iced tea, green apple cooler, mocha cold coffee, strawberry romance and caramel cold coffee have also been added to the beverage section.



Meno Liew, marketing manager for corporate banking, and Zahid Khan, director for Bangladesh operation of ParkwayHealth, attend a seminar on Prevention of Kidney, Liver and Heart Diseases and Treatment Options at Gulshan Club in Dhaka recently. Pary Sivaraman, consultant nephrologist, Jayaram, consultant cardiologist of Mount Elizabeth Hospital, and Desmond Wai, consultant gastroenterologist of Gleneagles Hospital of Singapore, were also present.

BBF to recognise best ad works

STAR BUSINESS REPORT

Bangladesh Brand Forum (BBF) will recognise the country's most innovative and successful advertisements through an award programme.

BBF in cooperation with Advertising Agencies' Association of Bangladesh and Ad-Club Dhaka has taken the initiative for the second consecutive year.

Brand Forum is scheduled to announce the award styled COMMWARD on August 7. Awards will be given under 15 categories.

"The objective of awarding the country's advertisement talents is to add value to the communication industry, especially in the advertising arena," said Shariful Islam, president of BBF.

"We have plans to organise several seminars for advertisement professionals to facilitate them with substantial knowledge from experts both from home and abroad," he added.

Islam was speaking at a press meet organised by BBF at Dhaka Sheraton hotel yesterday.

He said the programme will also help local ad agencies make effective advertisements that would eventually reach more consumers, and become the most useful marketing tool.

"And that's why this year's slogan is 'Communication that Touches Consumers'," Islam said.

At present, the size of the local advertising industry stands at more than Tk 1,200 crore a year, with about 500 small, medium and large companies.

Syed Farhat Anwar, chief adviser of BBF, Sanaul Arefin, general secretary of Ad-Club Dhaka, and Soumendhra Sankar Das, head of marketing of Marico Bangladesh, were also present at the press conference.

Marico Bangladesh Ltd is sponsoring the programme, while Navana Group and Katalyst are the partners.



The jury panel and organisers of COMMWARD, an initiative to award the country's most innovative and successful advertisement, pose at a press meet at Dhaka Sheraton Hotel yesterday. Bangladesh Brand Forum in cooperation with Advertising Agencies' Association of Bangladesh and Ad-Club Dhaka will arrange the programme on August 7.

Technology upgrade a must to propel RMG

Economic analyst says

STAR BUSINESS REPORT

The readymade garment (RMG) industry must introduce modern machineries to improve quality and productivity to face global competition, said an economic analyst.

Fahmida Khatun, additional director of Centre for Policy Dialogue, was the keynote speaker at an event to award four establishments -- Shamrat Group, Minar Group, Islam Group and HR Textiles Ltd -- for their pioneering roles in the knitwear sector. The programme was organised by knitwear machine supplier MAG Group at Sonargaon Hotel on Monday.

She said the readymade garment industry has played a crucial role in earning foreign exchange for the country, improving the balance of payments situation, eradicating poverty for a large section of the population through employment generation. The sector employs 2.2 million people, 80 percent of whom are women.

Growth in the sector has also fostered various multiplier linkages in the

economy, including forward and backward linkages. Sectors such as cloth, yarn, professional services, housing, banking insurance storage, machinery, and cotton cultivation are closely related to the RMG sector, Fahmida added.

"The 'skills development fund' worth Tk 70 crore in the national budget 2009-10 towards training and enhancing efficiency of the garments workers may be increased to Tk 100 crore in the upcoming budget."

"In addition, a national comprehensive plan for effective utilisation of existing technical, vocational and diploma training institutes for the benefit of the export oriented RMG sector is necessary," Fahmida said.

In fiscal 1981, the sector contributed 0.47 percent (\$3.36 million) of total export earnings, which increased to 79.3 percent (\$12.34 billion) in fiscal 2009. Of this, 41.3 percent came from knitwear and 38 percent from woven wear.

RMG exports account for about 25 percent of gross value addition in the

manufacturing sector.

"The changing global market has increased demand for value-added knitwear garments. Factories that have backward linkages are getting more orders from buyers in America, Europe, Australia and Japan," said the keynote speaker.

"Buyers are now very concerned about the quality of the fabrics, environmentally hazardous chemicals, capacity and quality of the machines."

"Also, there is a dearth of skilled labour in the industry. The introduction of automated machines is now essential to increasing productivity and efficiency, so that quick delivery of products is possible," Fahmida added.

Md Anwarul Ghani, chairman of MAG Group, said the government is trying to boost exports to increase our foreign currency earnings and has already committed to providing necessary support to the garments sector.

"As a thrust sector of the country, the government needs to give more attention for supplying required gas and power to the industries," he added.

Digital TV expo kicks off June 3

STAR BUSINESS DESK

A three-day exposition of the latest television technology and allied products will kick off at Dhaka Sheraton hotel on June 3, said a statement.

Digital TV Expo, the first of its kind in Bangladesh, will be organised by EventPro Ltd for the home users and businesses.

It will showcase liquid-crystal display (LCD), light-emitting diode (LED), plasma and CRT televisions, DVD players, home theatre systems, computer monitors and TV cards.

The show, to be supported by Bangladesh TV Manufacturers' Association, will remain open to all from 10am to 8pm without any entry fee.



Sandra Ingram, first secretary and consul general of US embassy, and Ahmed A Shah, managing director for origination and client coverage of Standard Chartered Bank, inaugurate a visa fee collection centre of the bank at its North Gulshan branch in Dhaka recently. The centre will collect diversity immigrant and non-immigrant visa application fees for the embassy.