

International Business News

## Clinton tours Shanghai Expo ahead of Beijing talks

AFP, Shanghai

US Secretary of State Hillary Clinton toured the World Expo in Shanghai on Saturday ahead of talks likely to focus on the sinking of a South Korean warship, blamed on North Korea.

Clinton appeared relaxed as she visited China's much-touted Expo before discussions in Beijing that are expected to be dominated by the row.

A multinational panel on Thursday concluded that a North Korean submarine torpedoed the South Korean corvette Cheonan in March, killing 46 sailors.

A senior US official travelling with Clinton told reporters in Shanghai that she would "try to make a powerful case about why this is an extraordinarily serious matter and why we want the strong cooperation from China."

"We'd like to see them acknowledge the reality of what happened and then join with South Korea, Japan and us in helping to fashion a response that helps to change North Korean behaviour," the official, who asked not to be named, said late Friday.

Pyongyang quickly rejected the investigators' findings and launched threats of war if it is punished by the international community.

## China mulling immigration law to control foreign arrivals

AFP, Beijing

China is considering its first immigration law following a surge in the number of foreigners seeking to take advantage of the booming economy in the world's most populous nation, state press said Saturday.

Preparations are underway for a first draft of the law which would likely divide potential immigrants into categories such as skilled or unskilled workers and job and investor immigration, Xinhua news agency said.

"Judging from the history of Western developed countries, inward migration flows often reveal the appeal of a nation," the report quoted Zhang Jijiao, of the Institute of Ethnology and Anthropology at the China Academy of Social Sciences, as saying.

"But to have a stronger appeal and competitiveness in the global arena, a nation must properly resolve social and economic issues arising from immigration."

No timetable for the law was given.

According to the Ministry of Public Security, about 2.85 million people, or more than 10 percent of the 26 million foreigners who entered China in 2007, came for employment, the report said.

## Wall Street braces for sweeping reforms

AFP, Washington

Wall Street's largest banks are readying themselves for vast changes in how they do business after a Senate vote this week moved sweeping reforms one step closer.

Democrats in both houses of Congress have pledged to put a final version of the rules on President Barack Obama's desk within weeks, a signal to financial firms that they are running their last lap on a well-worn -- and immensely profitable -- track.

Baring major changes, Wall Street will soon be contending with a potentially powerful consumer protection agency and banks will be forced to wall off, or even sell off, some of their most profitable divisions.

According to analysts at Bank of America-Merrill Lynch, the reforms could lower the sector's profits by as much as 20 percent.

Banks have bristled at two proposals in particular: new "proprietary trading" rules that would bar deposit-holding institutions from making bets for their own gain, and rules that would force the trade of complex financial instruments called derivatives on open exchanges.

## Britain faces aggressive cuts in 'age of austerity'

AFP, London

Britain faces an "age of austerity" as the new coalition government readies aggressive cuts in public spending to slash the deficit, Treasury minister David Laws told the Financial Times on Saturday.

Laws, chief secretary to the Treasury in Prime Minister David Cameron's coalition, will outline plans on Monday to make 6.0 billion pounds (6.9 billion euros, 8.7 billion dollars) of cuts in the current 2010/2011 year.

"We are moving from an age of plenty to an age of austerity in the public finances," Laws told the FT in his first newspaper interview since taking office on May 12.

"We will make that austerity as progressive as we can, by protecting the things and the people who need protecting."

Laws, who is a Liberal Democrat, added that he was "mentally prepared for getting a lot of representations from angry people" when the cuts are made.



This handout photo provided by CODA shows US Secretary of Commerce Gary Locke (R) looking at a CODA electric car as CODA CEO Kevin Czinger (C) looks on in Tianjin yesterday. Locke said the US was lagging many developed countries in terms of exports as he urged Chinese consumers to buy more US products.

### INTERVIEW

# Upbeat on drug exports to US

## Pharmaceuticals association leader assesses potential of Bangladesh

JASIM UDDIN KHAN

Bangladesh has immense prospect to emerge as an alternative source of medicines for the US after China and India, thanks to more international accreditations and rising domestic sales.

Abdul Muktedir, the general secretary of Bangladesh Association of Pharmaceuticals Industries (BAPI), expects that at least 25 of the 203 local makers, now in operation, will gain international accreditation.

In the next five years, the local medicine sales may reach \$1.7 billion, he points out in an interview with The Daily Star.

"The Chinese domestic market expansion pattern, Bangladesh's strategic location and its rising capacity to produce quality drug pin such hopes," he says.

Muktadir has made an assurance that the pharmaceutical sector trade body would extend every support to the aspirant companies for achieving international acclaim. Besides, BAPI will take measures so that the firms proposed to be established in the API (active pharmaceuticals ingredient) Park are also accredited. The number of such firms is 40. In this context, Muktadir pointed to the fact that some companies have already obtained international recognitions like UKMHRA, TGA Australia and GCC.

Dwelling on the better chances now open for Bangladesh as a medicine exporting country, the BAPI leader points his finger at China's rising domestic demand for medicine. Perhaps, at one stage the Chinese companies will remain confined to merely meeting their local demand, rather than exports, Muktadir says.

In addition, Bangladesh is located in the middle of India and China. Such advantageous position will bring new chances for Bangladeshi companies in case of any emergency demand in those countries, he fur-



Abdul Muktedir

ther points out.

Another positive development in the world pharmaceutical market, he says, is US President Barack Obama's new healthcare policy. This policy ushers in a possible \$150 billion USA market expansion.

"If Bangladesh can make an entry with a little chunk to this market, it will be a big boon for Bangladesh pharmaceutical sector," Muktadir said.

If the present growth continues, he says, the local drugs sales will reach \$1.7 billion by 2014.

Such sales will touch the \$1 billion mark by 2011, \$1.3 billion by 2012 and \$1.5 billion by 2013, Muktadir says.

Last year, local sales stood at \$796 million, while the figure was \$526 million in 2005.

The country's economic development,

rising remittance earning and robust agriculture production helped drive the local sales, the BAPI leader says.

He also expects around \$1 billion investments in the industry within the next few years to maintain the present growth.

Explaining Bangladesh's basic strength, Muktadir said skilled manpower flow is one of the main drivers. The country's 40 universities build up thousands of pharmacist, biochemist, doctor and engineer every year.

The BAPI secretary says once the API is established, Bangladeshi companies will be able to charge overseas buyers more prices for its products, claiming these products as DMF.

DMF (drug master file) is a document containing complete information on an API or finished drug dosage form.

It contains factual and complete information on a drug product's chemistry, manufacture, stability, purity, impurity profile, packaging, and the cGMP (current good manufacturing practice) status. Bangladeshi companies produce about 20,000 brands, half of these brands are generic products and 40 are dosage forms.

After meeting 97 percent of local demand, 15 companies are currently producing API.

Currently, about 67 countries are now Bangladesh's export destinations. The country fetched \$47.88 million from exports in 2009.

The local companies already got capacity to produce all forms of medicine, including tablet, capsule, liquid, dry suspension, injections, ointment/cream, nasal spray, granules in sachets, lyophilized vials, eye drops, large volume injections in PVC bags, parenterals and pre-filled syringes.

jasim@thedailystar.net

### EXPOSITION

# Hasina asks millers to help grow cotton

## Three-day textile show begins



RASHED SHUMON

Stall attendants decorate a stall at the fifth Texbangla-2010, a three-day biennial show of Bangladesh Textile Mills Association that started at Dhaka Sheraton Hotel yesterday.

#### STAR BUSINESS REPORT

Prime Minister Sheikh Hasina yesterday called upon the textile millers to reduce dependency on imported raw cotton by arranging massive cultivation of this primary textile product in the country.

She pledged all-out government support for the development of the sector and asked the businessmen to select different areas where cotton can be grown so the spinners and weavers do no need to depend only on the imported cotton and yarn.

If enough cotton is grown here, the spinners and weavers will get yarn at lower prices, the prime minister said.

Hasina was speaking at the inauguration of three-day 5th Texbangla-2010, a biennial show of the primary textile sector's trade body -- Bangladesh Textile Mills Association (BTMA) -- at Sheraton Hotel in Dhaka.

She also asked the spinners not to charge

high for yarn so the poor weavers can bring back the glorious past of muslin and similar types of clothes in the country.

Readymade garment sector that accounts for 82 percent of the country's total export cannot depend on local cotton as the farmers here grow less than five percent of the total demand, industry insiders said.

Now Bangladesh imports raw cotton worth more than \$1 billion a year from the US, Central and West Africa, India, Pakistan, Uzbekistan and other Commonwealth of Independent States (CIS) members.

Hasina said 1,000-megawatt (MW) of electricity would be added to the national power grid this year, as the demand for power would reach 6,000MW at the year-end.

"We didn't want to go for gas rationing, but we had to," Hasina said, adding that the government has already approved purchas-

ing two 3D rigs for gas exploration.

She said the government will construct Gazipur-Narayanganj elevated expressway as both the districts have already been turned into industrial zones, and to reduce traffic jam in Dhaka city.

The prime minister said the government will take special steps to develop railway and waterway to help ease traffic congestion in the city. She asked the businessmen not to concentrate their industries only on Dhaka and the adjacent areas, but across the country.

"The transport of goods will be easier if we can reintroduce the circular waterways around Dhaka city. This will help reduce traffic jam in the city," she said.

The government has taken steps to take the fibre optics facility even to the rural areas, she added.

Textile and Jute Minister Abdul Latif

Siddiqui asked the spinners not to make windfall profit by selling yarn at higher prices, keeping the weavers under pressure.

Commerce Minister Faruk Khan called upon the cotton importers to keep a bulk amount of raw cotton in warehouses in the African countries to face any crisis.

"We can also build a warehouse at Mongla Port to preserve the imported cotton from African countries," Khan said.

BTMA President Abdul Hai Sarker proposed forming 'Prime Minister's Fund for the Welfare of the Weavers'. Primarily, he promised to donate Tk 5 crore to the fund on behalf of the association.

Salman F Rahman, private sector affairs adviser to Awami League President Sheikh Hasina, also spoke at the inaugural ceremony of the show where 23 companies are showcasing their textile products at 38 stalls.