

Stocks	
DGEN	▲ 1.48% 6,672.96
CSCX	▲ 0.93% 12,764.23 (Week-on-week)
Asian Markets	
MUMBAI	▲ 0.52% 18,167.03
TOKYO	▲ 0.44% 9,253.46
SINGAPORE	▲ 0.44% 2,939.97
SHANGHAI	▲ 1.21% 2,606.70 (Friday closings)
Commodities	
 Gold	▲ \$1,214.25 (per ounce)
 Oil	▼ \$76.73 (per barrel) (Midday Trade)
SOURCE: AFP	

Monga-prone women to get jobs in garment industry

BSS, Dhaka

Around ten thousand women, vulnerable to the cycle of poverty in the country's Monga-prone areas, would now find work in the garment industry.

A project -- Northern Areas Reduction of Poverty Initiative (NARI) -- will focus on the empowerment of women through employment opportunities in Export Processing Zones (EPZs), with a funding of \$20 million from the World Bank.

'Monga', occurring mainly in the months of October to November of each year, is when food stocks run out and job opportunities dry up in some northern districts before the main harvest season in December, as a result thousands of people go without foods for weeks.



Visitors browse through saris on display at an exhibition organised at Bengal Café in Dhanmondi, Dhaka, to celebrate the 12th anniversary of fashion boutique Shoilpik yesterday. The exhibition will remain open from 11am to 8pm every day until August 20.

SHAWKAT JAMIL

Food exports to India hit a rough patch

SOHEL PARVEZ

Processed food exporters find it hard to access the northeastern states of India as the region's customs authorities have set a new rule asking its traders to store the imports in bonded warehouses.

The Office of the Commissioner of Customs (Preventive) of India's North East Region made the storage of nonperishable food items in bonded warehouses mandatory from June 1.

Indian businessmen will have to keep imports in bonded warehouses until the completion of laboratory tests on shipments.

The delay in getting the test results from Indian labs has deepened the problems, said Bangladeshi exporters. Some say these problems are eroding competitiveness of Bangladeshi food items on the Indian market.

Exports of food products through Akhaura-Agartala and Tamabil-Dawki are slowing, mainly because of the new rule,

said customs officials and exporters.

Exports through other land ports such as Sheola-Sutarkandi are continuing, but on a limited scale after some Indian importers were able to comply with the bonded warehouse rule.

"We are unable to book orders for exports after the customs authorities of North East India imposed the rule of keeping food products in bonded warehouse instead of importers' warehouse," said Khurshid Ahmad Farhad, manager (export) of Square Consumer Products Ltd (SCPL).

The official of SCPL, a new entrant to the Indian northeast, said the sanction has forced the company to stop exports for the last few months.

To comply with the bonded warehouse condition, an importer needs to show bank solvency certificate of up to Indian Rs 50 lakh (Tk 74.42 lakh), according to the exporters.

"It is discouraging for our

importers. The volume of their trade with us is not too big to deposit such an amount," said Farhad.

Ahsan Khan Chowdhury, deputy managing director of Pran-RFL Group, also expressed concern over the new rule.

Before the imposition of the new rule, the importers in North East India were allowed to store imported items in warehouses till the receipt of the lab test reports.

Due to geographical proximity, the northeastern states have become a captive market for Bangladesh's goods.

Fruit-flavoured drinks and snacks such as chana-chur are the main export items.

"Our products enjoy competitive advantage in the northeastern region due to its remoteness to mainland India. But this bonded warehouse rule hurts competitiveness of our products," said Farhad.

At present, two-way trade favours India heavily.

Kamruzzaman Kamal, director

of marketing for Pran-RFL, a leading food products exporter to India, has said various rules are affecting exports of Bangladeshi food products to the northeastern states.

"Our exports have been suspended for almost two months," he said.

Kamal claimed that their food products face newer rules such as coding and recipe requirement by Central Food Laboratory (CFL), Guwahati.

In addition, in absence of any authorised food lab near the land ports in the northeast, the traders wait for three to six weeks to get the test results from the CFL.

The introduction of rules to send test results by post instead of fax has also widened the time period. The customs authorities of the ports in northeastern India do not clear products until receiving the test results from the central food laboratory.

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Private banks better remittance manager

REJAUL KARIM BYRON

Private banks, by handling more than 69 percent remittances to Bangladesh, have emerged as major remittance managers overtaking the state-owned banks in the last few years.

Bangladesh Bank data shows aggressive marketing drives launched by the private banks at home and abroad have curtailed the dominance of the state-run banks to only 27 percent in the past few years.

In fiscal 2005-06, the remittance inflow was \$4.8 billion. Of the amount, private banks (PCBs) managed 49 percent, while the state-owned banks (SCBs) 46 percent.

According to central bank data, remittance through PCBs increased by 17 percent to \$7.62 billion in fiscal 2009-10 compared to a year ago.

The volume of remittance handled by SCBs increased by 5 percent in fiscal 2009-10 to \$3.04 billion. Bangladesh recorded \$10.98 billion in inward remittance in 2009-10.

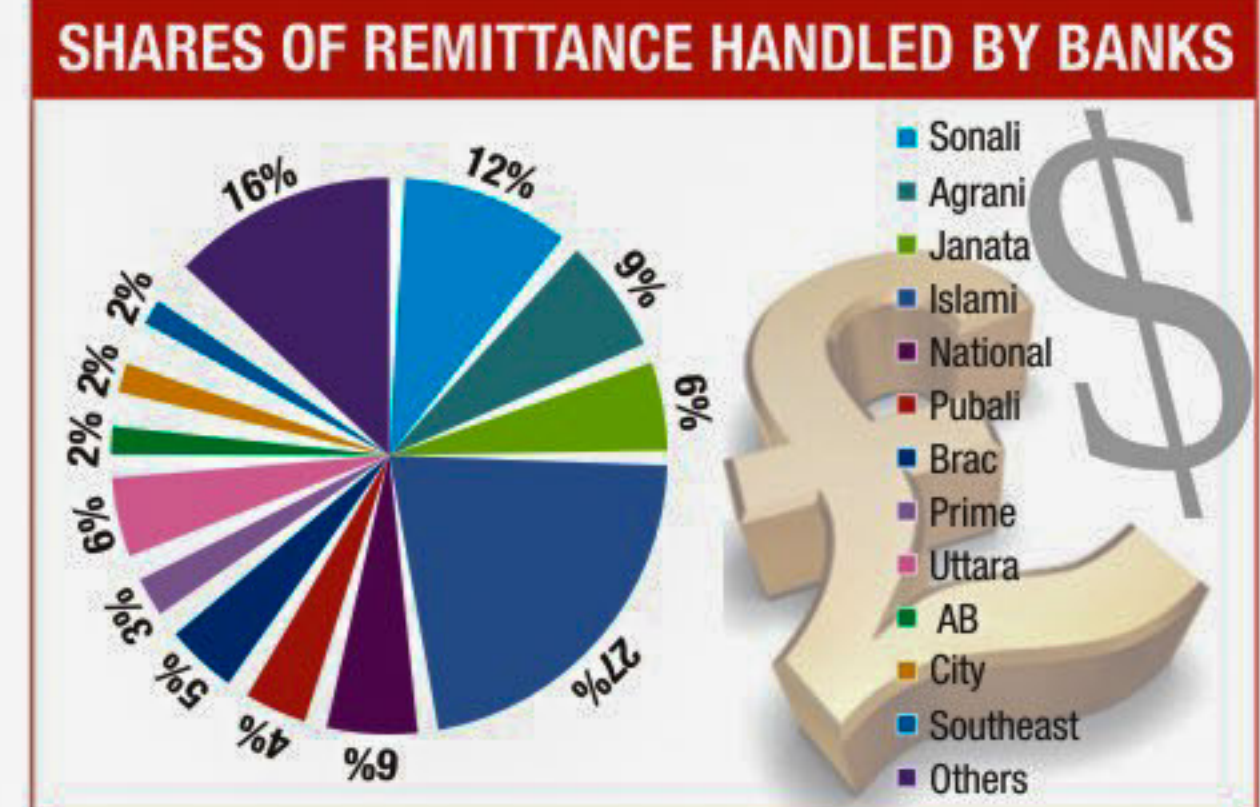
Khondkar Ibrahim Khaled, chairman of Bangladesh Krishi Bank, said if any bank has sufficient foreign reserve, it can handle international trade very easily. The bank can also earn money by selling foreign currency.

"The state-owned banks can't do what the private banks can do to build relations with the international money exchange houses," said Khaled.

He said the state banks still handle remittances in a traditional way, while the private banks use new marketing strategies.

All banks have foreign networks for handling remittances. Many private banks even deputed officials in some major remittance generating countries like in Middle East, said Khaled.

As per the central bank data, of all the private banks, Islami Bank was the highest remittance handler in fiscal 2009-10.



The bank brought \$2.93 billion in remittances followed by state-owned Sonali Bank's \$1.3 billion and Agrani Bank's \$938 million. Sonali had been the highest remittance earner until FY2005-06 when the amount stood at \$1.22 billion.

Helal Ahmed Chowdhury, managing director of Pubali Bank, said the central bank's anti-money laundering drive helped much to redirect remittance inflow to the formal channel.

The private banks' initiatives to open exchange houses in foreign countries and establishing liaison with different foreign exchange houses also helped them become major remittance earners.

Chowdhury said the private banks' move to arrange home delivery of money by using channels like banks, non-government organisations and mobile phones made them the market leader.

Govt to pick operator for Akhaura port

REZAUL KARIM

The government has moved to appoint a private operator to run a land port on the eastern frontier of Akhaura.

It will soon finalise the appointment of the operator through bidding to facilitate trade in and out of seven Indian northeastern states.

The government on Friday opened a full-fledged land port at Akhaura in Brahmanbaria.

"This land port will play an important role in reducing our trade deficit with India, and the government will do everything that is needed to develop the export-oriented port," said Shipping Minister Shahjahan Khan.

Bangladesh, India, Nepal and Bhutan are also currently working out mutually beneficial arrangements under which Bangladesh will have and provide access to the three South Asian neighbours for trade, transit and communication.

For Akhaura land port, the shipping ministry has already short-listed 21 private firms through a pre-qualification bidding process, officials said.

The port has been constructed over 15 acres at a cost of Tk 8.75 crore (\$1.2 million). It will be operated on a BOT (build, operate and transfer) basis.

With the launch of Akhaura port, Bangladesh now boasts 14 land ports that ensure better connectivity with India.

According to official estimates, Bangladesh exported around 442,955 tonnes of products and imported 557 tonnes through Akhaura in the last fiscal year.

The exports through the port include cement, battery, furniture, glass, plastics, soybean oil and tiles. Bangladesh imports bamboo, turmeric, ginger, marble slabs, fish, leather, textiles, machinery and fruits.

Akhaura land port earned record revenue of more than Tk 214 crore in 2009-2010, up from Tk 168 crore a year ago.



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