

Deal with Delhi on border haats this month

STAR BUSINESS REPORT

Bangladesh and India are going to sign a deal to establish makeshift bazaars in border areas to ensure market access for the people and narrow bilateral trade-gap.

Commerce Minister Faruk Khan said a memorandum of understanding (MoU) would be signed between the two countries during his upcoming India visit from October 20.

"During my visit, we'll sign an agreement to set up two border haats -- one at Sunamganj and the other at Kurigram district border areas," Khan said, adding that another border haat at Sunamganj border is also under consideration.

However, establishment of Sunamganj border haat hinges on

success of the two proposed haats, he said.

"We chose the Sunamganj and Kurigram border areas because the people on both sides do not have market access to the mainland because of a lack of proper road networks," the minister said.

Government officials and representatives of border guards of both the countries would run and oversee operations of the border haats.

During the talks with Delhi, the issues like withdrawal of the quota- and duty-free facility on apparel exports, removal of the problems in certification by Bangladesh Standards and Testing Institution (BSTI) and withdrawal of a ban on raw cotton exports from India will come up for discussion.

The commerce minister said Bangladesh has been asking India to either give a duty-free access for 61 products or complete duty waiver to all RMG products. He said Bangladesh is pressing India to remove the non-tariff barriers, such as hidden taxes on apparels.

Khan said Bangladesh is negotiating with India to sign a Free Trade Agreement (FTA) and this issue will also be discussed broadly during the visit.

The commerce ministry will place a draft copy of the border haat issue with the cabinet today for final approval, the minister said.

The trade balance between the two countries is in favour of India. In 2008-09, Bangladesh imported goods worth \$2.841 billion and exported goods worth \$276.58 million to India.



Delegates of the US Embassy led by Deputy Chief of Mission Nicholas Dean visit Beximco Industrial Park at Sarabo in Gazipur district yesterday. Beximco Group Chairman ASF Rahman and Group Director and Chief Executive Officer of Bextex Syed Naved Husain welcomed the 53-member team.



Textile maker Generation Next Ltd holds a roadshow for institutional investors, as the company plans to go public under the book building method, at Radisson Water Garden Hotel Dhaka on Wednesday. BRAC EPL Investment Ltd is the issue manager of Generation Next. Tauhidul Islam Chaudhury, second from left, chairman of Generation Next, described the strengths of the business in the presence of Javed Chaudhury, middle, chief executive officer. Khaled Farazi, managing director of BRAC EPL, was also present.

Metro Spinning declares bonus shares

STAR BUSINESS DESK

Metro Spinning Ltd declared 20 percent bonus shares for shareholders for fiscal 2009-10 at a meeting held in its office yesterday.

The company's total turnover stands at Tk 63.39 crore, the net profit before tax at Tk 14.48 crore, net profit after tax at Tk 13.23 crore and earnings per share totalled 3.84 during the year, the company said in a statement.

The meeting that was chaired by Chairman Abdul Ali decided to hold its 15th annual general meeting on December 27 and the record date will be October 25.

Key overseas missions achieve export targets

UNB, DHAKA

Overcoming poor performances last fiscal, major Bangladesh missions abroad exceeded export targets set for those for the first two months of the current fiscal year (2010-11).

These missions are Washington, Berlin, Rome, Madrid, The Hague, London and Paris.

The July-August export earnings reached around \$3.62 billion against the target of \$3.11 billion, which is 28.80 percent more than the corresponding period a year ago.

Out of the 44 Bangladesh missions, 24 achieved their respective export targets, while 20 missions missed targets, Export Promotion Bureau's latest data show.

The well performers are The Hague, Berlin, Rome, Ottawa, Muscat, Colombo, Hanoi, Canberra, Hong Kong, Kuwait, Riyadh,

Yangon, Dubai, Brussels, Moscow, Pretoria, Tashkent, Cairo, Washington, London, Stockholm, Singapore, Madrid and Paris.

Although 20 missions could not achieve targets in the period, 17 missions showed more growth in exports than it was in the same period a year earlier.

The 17 are Tripoli, Nairobi, Amman, Manama, Beijing, Kathmandu, Islamabad, Doha, Manila, Jakarta, Rabat, Tokyo, Ankara, Kuala Lumpur, Seoul, Tehran and Thimpu.

However, the missions in New Delhi and Bangkok showed a growth lower than it was in the period a year back. The Brunei mission showed no export.

EPB says the 24 missions that that achieved targets fetched \$3,219.5 million, while 20 that fell short of targets earned \$319.81 million.

BTCL connection suspended in Sylhet

UNB, Sylhet

Land phone and internet connection of Bangladesh Telecommunication Company Ltd (BTCL), including fax operation at home and abroad, remained suspended here last morning due to cut off of optic fibre and microwave.

BTCL official Rafiq Mia said at least 20,000 land phone connections remained disconnected from 7:45am yesterday in the city.

He said they were trying to identify the exact place of split of the optic fibre and microwave.

Spanish builders go abroad

AFP, Madrid

Spanish builders are looking abroad for work to shield themselves from the collapse of a decade-long property boom that has left hundreds of thousands of unsold homes across the country.

In perhaps the most high-profile case, Sacyr, one of Spain's top groups, is leading a massive expansion of the Panama Canal that will double its capacity and accommodate a new generation of super-size container ships.

Nearly 2,000 people are working on the project, one of the world's largest and most lucrative, a number that will swell to 7,000 when construction is at its peak, a Sacyr spokeswoman said.

It is the largest project for Sacyr outside of Spain since the company was founded more than two decades ago, she added.

Sacyr's consortium won the three-billion-dollar (2.15-billion-euro) contract last year, beating two other bids, including one led by ACS, Spain's largest construction firm.

Sacyr's revenues from overseas activities rose to 4.62 billion euros last year from 4.28 billion euros and are expected to rise further this year.

Mauro Guillen, a management professor at the University of Pennsylvania who wrote a book about the rise of Spanish multinationals, said the groups began moving abroad, as well as into other areas like waste management, in anticipation of the property market cooking down at the end of 2007.

"They realised that construction is a cyclical business and that they needed to diversify," Guillen told AFP.

In the second quarter, the order books of Spain's six largest builders -- ACS, Acciona, FCC, Ferrovial, Sacyr and OHL -- were almost evenly split between projects at home and abroad, totalling 26.9 billion euros against 25.9 billion euros, the El Pais daily reported last month.

That contrasts with the situation during the last quarter of 2007 when the six firms

had overseas projects worth 13.9 billion euros, less than half of the 33.3 billion euros in projects in the pipeline in Spain.

The growing importance of the foreign market was highlighted last month when ACS launched a 2.76-billion-euro all-share takeover bid for German rival Hochtief just as Germany's economy is rebounding.

Spanish builders have cast a wide net.

FCC has signed contracts this year to build a highway in Slovakia, a railroad in Algeria and a media broadcast centre for the 2012 Olympic Games in London, among others.

Last month, a consortium led by Acciona won a 1.1-billion-euro contract to build, maintain and operate a traffic tunnel in Brisbane, its first contract in Australia.

The construction sector enjoyed a massive boom in Spain in the decade through 2007 as the cheap credit that came with the arrival of the euro single currency fueled a building frenzy and an unprecedented economic upturn.

But the global credit crunch at the end of 2008 hastened a correction, plunging Spain into its worst recession in decades.

Now builders face bleak prospects at home.

"The decline in construction activity in Spain will be permanent although I can't say that is necessarily bad. The problem now is how to manage it," OECD secretary general Angel Gurría said last week during a visit to Madrid.

The International Monetary Fund estimates there are some 700,000 unsold housing units which will take two to three years for the market to digest.

Prime Minister Jose Luis Rodriguez Zapatero's socialist government initially responded to the economic downturn by pouring billions of euros into infrastructure projects.

But as the economic downturn dragged on and a budget surplus was transformed into the third-biggest eurozone deficit after Greece and Ireland last year, it suspended dozens of road and rail projects.

Energy fair starts Thursday

STAR BUSINESS REPORT

A three-day exhibition on power and renewable energy will start on Thursday at Bangabandhu International Conference Centre.

CEMS (Conference and Exhibition Management Services) Bangladesh, an affiliate of CEMS USA, will organise the expo -- "Power Bangladesh 2010 International Expo" -- for the third time in Bangladesh.

The fair will showcase development achieved in power generation and transmission, alternative power, PV power, energy and renewable energy sectors in the country, said Meherun N Islam, president of CEMS, at a press conference at Dhaka Press Club yesterday.

Companies from 16 countries are expected to join the fair. The fair will remain open to visitors from 10.30am to 7.30pm with no entry fee.

Training on cuisine can create jobs for Bangladeshis

UK curry industry leader says

BSS, Dhaka

Setting up of cuisine training institutes in the country could open up a new avenue for huge overseas employment with high pays in the United Kingdom, as the British curry industry has a demand for 30,000 skilled cooks and kitchen staff now.

"The globally-acclaimed UK's curry industry is now facing shortage of cooks and kitchen staff. Bangladesh could easily take the opportunity if cuisine training institutes are set up," Bajloor Rashid, president of the UK-based Bangladesh Caterers Association (BCA), told the news agency yesterday over phone

from the United Kingdom.

Rashid said considering the industry's substantial contribution to the UK's economy, the British government has recently simplified the immigration rules allowing entry of foreign skilled kitchen staff to the country.

With the BCA's strong lobby, the British government has amended the occupation shortage list which paved the way for recruiting foreign kitchen staff, he said.

The BCA president said the association would hold a meeting to discuss the matter with Labour and Employment Minister Khandker Mosharraf Hossain, who is now in the United Kingdom to attend BCA's

Golden Jubilee celebration.

"I hope the minister will take necessary steps on his return home to this end," said Rashid.

Asked about the reasons behind the shortage of employees, he said post of cooks and kitchen staff have remained vacant as a good number of kitchen staff went on retirement and some others on the way to retire in the UK curry industry.

The BCA president said the association has decided to replace the vacant posts with young and energetic people but they should be properly equipped with necessary training.

There can be a state-level bilateral accord to take over the jobs in the UK's curry industry and the BCA

is ready to cooperate if Bangladesh government comes forward to initiate the process of setting up cuisine training institutes through the public-private partnership.

The BCA represents some 1,200 Bangladeshi restaurants with over 5,000 active members and the industry is almost entirely operated by Bangladeshi-origin entrepreneurs contributing 3.5 billion pound sterling to the British economy.

The UK has become the fourth largest source of remittances to Bangladesh next to Saudi Arabia, the USA and the UAE. Some five lakh Bangladeshis living in the UK remitted more or less 1000 million US dollars to Bangladesh last fiscal year.



Sayem Ahmed, chairman of the executive committee of Dutch-Bangla Bank, opens the bank's 1,000th ATM on the factory premises of GlaxoSmithKline Bangladesh at Fouzderhat in Chittagong yesterday. M Azizul Huq, managing director of GlaxoSmithKline, was also present.

Fortis Healthcare owners to buy HK business

REUTERS, Mumbai

The controlling shareholders of India's hospital chain Fortis Healthcare have agreed to buy the healthcare assets of Hong Kong-based Quality HealthCare Asia Ltd for HK\$1.52 billion (\$195 million), according to statements issued late on Sunday.

New Delhi-based Fortis Healthcare, controlled by billionaire brothers Malvinder and Shivinder Singh, fell short in its bid earlier this year to take control of Singapore-based hospital chain Parkway Holdings as part of an effort to build an international business.

The Quality HealthCare acquisition is being made by the Singhs' Fortis Global Healthcare Holdings Pte Ltd unit, which it said is the family's vehicle to build a pan-Asian healthcare business.



Shahjalal Islami Bank Securities Chairman Md Sanullah Shahid inaugurates a brokerage house of Shahjalal Islami Bank at Uttara in Dhaka yesterday. The bank's Chairman Mohammed Solaiman and Managing Director Muhammad Ali were also present.