



AK Azad, seated left, president of the Federation of Bangladesh Chambers of Commerce and Industry, and Abdullah Sultan, secretary general of UAE's Foreign Chamber of Commerce and Industry, sign a deal in Abu Dhabi yesterday to boost trade between the two countries and investment in Bangladesh. Prime Minister Sheikh Hasina is also seen.

PID



FLYDUBAI

Budget airline flydubai started Bangladesh operations from Chittagong on Monday. Engineer Mosharrif Hossain, chairman of parliamentary standing committee on civil aviation affairs, and Hamad Obaidalla, chief operating officer of the airline, were present at the launching ceremony.

Flydubai starts Bangladesh operation

STAR BUSINESS DESK

Dubai's first low-cost airlines Flydubai made its first entry into the Bangladeshi market when flight FZ587 landed in Chittagong Shah Amanat International Airport last night, said a statement.

Hamad Obaidalla, chief operating officer of the carrier, was greeted by a VIP delegation led by Mosharrif Hossain MP, Sirajul Islam Khan, divisional commissioner, and Foyez Ahmed, the district commissioner of Chittagong, were also present.

Obaidalla said, "Reaching 30 destinations in such a short time is a tremendous achievement for Flydubai and I am very proud to be here to celebrate this moment."

The first service to Bangladesh is an indication of variety of destinations it plans to offer to the passengers and it is a valuable option for Bangladeshis living in Dubai for making an affordable, safe and comfortable journey, he added.

"The Chittagong service will give passengers even greater travel flexibility when it becomes a daily service in March," he added.

The flight will be offered four times a week from Dubai to Chittagong, operating on Monday, Wednesday, Friday and Sunday.

One-way fare to Chittagong from Dubai will cost USD 125 including taxes, including one piece of hand luggage weighing up to 7 kg. Flights from Chittagong to Dubai start from USD 200. Flights from Chittagong are available for purchase on the website www.flydubai.com.

GSK to take \$3.4b Avandia legal charge

AFP, London

British drugs firm GlaxoSmithKline said Monday it expects to take a legal charge of £2.2 billion linked to its former blockbuster diabetes product Avandia, sparking a sharp drop in its shares.

"GSK today announces that it expects to record a legal charge for the fourth quarter of 2010 of £2.2 billion (2.6 billion euros, \$3.4 billion)," it said in a statement. This equates to an after-tax cost of £1.8 billion.

"The charge primarily relates to additional provisioning in respect of the investigation by the US Attorney's Office for the District of Colorado into the group's US sales and promotional practices and for product liability cases regarding Avandia."

GSK was hit in September when the EU said it would ban Avandia over fears it increases the risk of heart attack and strokes. Regulators have also restricted its availability in the United States.

"Regarding Avandia, in July 2010 the company took a provision for product liability cases relating to the product that had been settled or received at that time," the group said.

Hong Kong giant to list port assets in Singapore

AFP, Hong Kong

Hong Kong conglomerate Hutchison Whampoa, controlled by the city's richest man Li Ka-shing, said Tuesday it would list its southern China port assets in Singapore.

The firm did not reveal how much it plans to raise, but Dow Jones Newswires cited unnamed sources as saying the initial public offering could raise between \$3 billion and \$6 billion, making it Singapore's biggest-ever IPO.

The listing of Hutchison Port Holdings Trust in late February or early March would surpass Global Logistic Properties' \$2.9 billion share sale in the city-state last year and be one of Asia's largest in 2011.

Golden Harvest gets top grade

STAR BUSINESS DESK

Golden Harvest Agro Industries Ltd, a leading agro-based frozen food processor, has received Grade A in the British Retail Consortium (BRC)-Food Certification programme.

The award was given for processing frozen snacks, frozen processed vegetables, at a programme organised by leading certification company SGS in the UK.

Golden Harvest, a BRC-certified company since January 2008, is the first company in Bangladesh to receive such international highest-grade certification award in the agro-based food processing sector.

BRC is regarded as the global standards for food safety, Golden Harvest said in a statement.

USAID-PRICE provides all technical and backward linkage support to Golden Harvest.

Food inflation on the rise

REJAUL KARIM BYRON

Inflation further increased on a point-to-point basis in November 2010 due to high food prices on both domestic and international markets, government data showed.

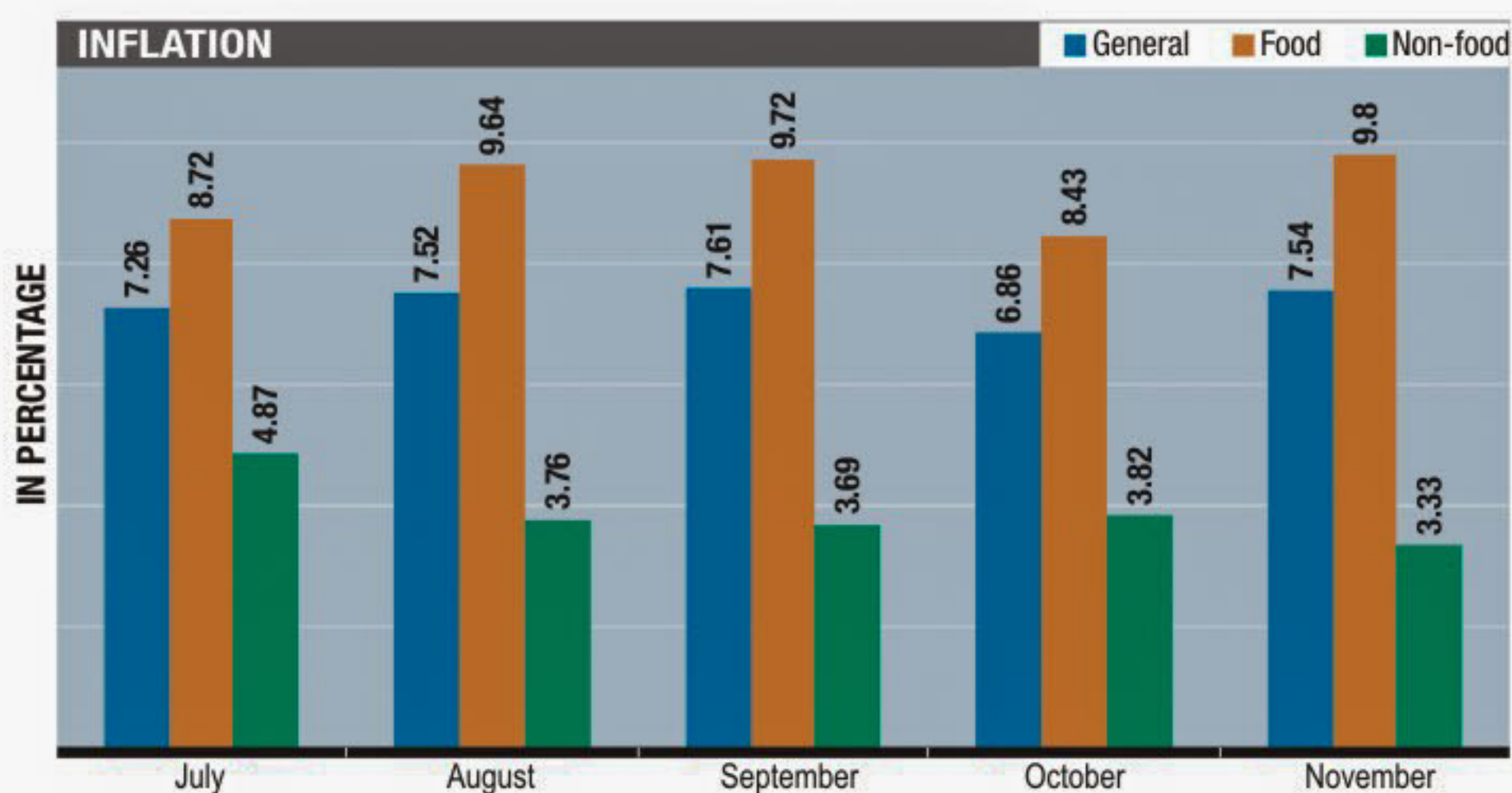
Food inflation increased by 1.37 percentage points in November, compared to October, but non-food inflation decreased by 0.49 points. In rural areas, food inflation rose 1.39 percentage points while in urban areas it rose by 1.29 percentage points, according to Bangladesh Bureau of Statistics (BBS).

Inflation has stayed high since last July although it decreased slightly in October. In November, the overall inflation rate rose by 0.68 percentage points to 7.54 percent, compared to October.

Food inflation was 9.8 percent in November, which was 8.43 percent in October, and non-food inflation was 3.3 percent in November, which was 3.82 percent in October.

In rural areas, food inflation crossed the double-digit mark to stand at 10.53 percent.

A BBS official said inflation rose mainly due to higher rice and wheat prices.



Although the domestic production was good, the local market prices increased because of soaring prices on the international market, the official added.

Despite a good aman harvest, prices of rice and wheat were always on the rise. Statistics of Trading Corporation of Bangladesh showed coarse rice was sold at Tk 35-37 per kg yesterday, which was Tk 34-35 about a month ago.

Loose wheat was sold at Tk 33-34 per kg yesterday, which was Tk 30-31 a

month back.

Food ministry officials said one lakh tonnes of rice were imported from Vietnam two months ago at \$407 a tonne. Another 2.5 lakh tonnes will be imported from the Southeast Asian country at \$550 a tonne, which will make prices of rice Tk38 a kg.

The increase in food prices on the international market had an effect on the local market, an official said. Due to the food crisis in India, rice through unofficial channels is not entering Bangladesh, said the official.

The government took an initiative to import rice from India at state-to-state level arrangement but it is yet to be materialised as India imposed a string of conditions.

UN Food and Agriculture Organisation (FAO) has recently warned of an imminent food crisis worldwide. The FAO said 6 percent less food commodity will come to the international market this year compared with last year.

The FAO report also said the food price on the international market already registered a 4.2 percent rise. It will go further up.

Food ministry officials said the government has taken an elaborate programme to distribute food across the country through public distribution channels so that the poor do not suffer much. The government will also increase the amount of food subsidy, the official said.

According to a food ministry report, the government plans to distribute 27.29 lakh tonnes of grains in the current fiscal year, which was 19.61 lakh tonnes last year.

The government has fixed a target of importing 46.50 lakh tonnes of food through public and private sector importers, which was 34.55 lakh tonnes last year.

Govt urged to promote Sundarbans tourism

STAFF CORRESPONDENT, Khulna

Patronisation of both government and the forest department is needed for development of tourism industry in the Sundarbans, said speakers at a discussion yesterday.

The meeting organised by Bengal Tours on roles of the local media in development of positive tourism in the Sundarbans was held in Khulna yesterday. Masud Hossain, executive director of Bengal Tours, presided over the meeting, where Md Akbar Hossain, conservator of forests in Khulna circle, was present as chief guest.

The discussion focused on prospects of tourism by conserving biodiversity of the world's largest mangrove forest. Bengal Tours placed a six-point proposal for flourishing tourism in the Sundarbans, which can contribute huge revenue earnings to the state coffers.

The proposals are: constructive criticism of forest officials, creation of a sepa-

rate tourism zone, arrangement of safe journey for tourists, formulation of code of conduct for visiting tourists, creating awareness to protect biodiversity and environment, and formulation of guidelines at the state level to develop tourism in the Sundarbans.

In his speech, Akbar Hossain dwelt on different plans and programmes of the forest department and the government. He denied allegations of rampant corruption of forest officials and harassment of tourists while getting permission to visit the forest.

Speakers of the discussion meeting said interests of dwellers around the Sundarbans must be protected as they live by age-old traditions of wild-honey collection and fishing.

The royal Bengal tiger, king of the forest, is also an attraction for tourists although they may not always have a chance to see them, said Masud Hossain.

Unesco declared the Sundarbans in 1997 as world heritage site, which is unique as the habitat of the royal Bengal tiger.

Exports hike brick prices in Lalmonirhat

S DILIP ROY, Lalmonirhat

Brick exports to India through Burimari land port have raised the product's price in Lalmonirhat, said sector leaders.

The hike during the peak season is also affecting different government and private construction works in the northern district.

Brick-kiln owners now sell 1,000 bricks for nearly Tk 7,000, up from Tk 4,500 last year.

Bangladesh exports around 60,000 bricks to India through Burimari land port every day, said Abdul Mannan, the port's superintendent of customs. Many clearing and forwarding agents are exporting bricks to India, he said.

After purchase from Bangladeshi traders, the Indian businessmen sell 1,000 bricks for up to Tk 9,000 to contractors, said Mohammad Sayeduzzaman, a C&F agent for the land port.

"We earn Tk 500 to Tk 600 by exporting every 1,000 bricks," said Sayeduzzaman, who is involved in brick exports.

These exports are not for profits only, but to maintain good business relations with India also, he added.

There is no permission to build brick kilns in border or its adjacent areas in India, said Abul Kalam Azad, assistant commissioner of customs for the port.

For construction works in border areas on the Indian side, the contractors find it less expensive to use Bangladeshi bricks, Azad said.

Abdul Hakim, a contractor at the Local Government Engineering Department (LGED) of Lalmonirhat, said he cannot start the construction works of a culvert due to higher prices of bricks.

"I can't complete my half-done building due to the price hike. The bricks that I bought at Tk 4,300 last year are now selling at Tk 6,300," said Mohsin Ali, a resident of Masterpara village.

Some contractors have requested the LGED office to look into the matter, said Enamul Haque, executive engineer of Lalmonirhat LGED.

Only a few contractors who have their own brick kilns can continue their construction works, Haque said.



Sheikh Mortuza Ahmed, CEO of Prime Bank Investment, the title sponsor of the Bangladesh Capital Market Fair 2011 UK, and Syed Belal Ahmed, chairman of Curry Life Events, the fair organiser, shake hands over a title sponsorship agreement. Ahmed Kamal Khan Chowdhury, deputy-managing director of Prime Bank, was also present.



Rajeeb Samdani, managing director of Golden Harvest Agro Industries, and Ariel Miranda, managing director of SGS Bangladesh Ltd, pose with the British Retail Consortium certificate of SGS United Kingdom Ltd, recently.