

Govt signs new trade deal with Kuwait

STAR BUSINESS REPORT

Bangladesh has signed a new trade deal with Kuwait to further the economic relations between the two countries, the commerce ministry said yesterday.

The agreement, which replaced the Trade and Economic Agreement signed in June 1979, will be effective for five years and could be renewed for similar periods.

The new title of the agreement

is "Trade Agreement between the Government of the People's Republic of Bangladesh and the Government of the State of Kuwait".

Commerce Minister Faruk Khan and Kuwait's Commerce and Industry Minister Ahmed Rashed Al-Haroun signed the deal at the latter's office on Monday, said a statement of the commerce ministry of Bangladesh.

In the new deal, the two countries have promised to

promote and diversify the exchange of goods and services between them. The countries will also provide each other necessary facilities to participate in trade fairs and international markets.

At the agreement signing ceremony, Ahmed Rashed Al-Haroun emphasised the need to strengthen cooperation in the areas of trade and economy. He said his country could import food from Bangladesh.

Khan urged his Kuwaiti counterpart to increase imports from Bangladesh, particularly readymade garments, medicine, jute and jute goods, food products, ceramics, leather and leather goods.

Kuwait could also import ships from Bangladesh, Khan said.

He urged his Kuwaiti counterpart to waive the 5 percent custom duty imposed on imports from Bangladesh. He requested

the Kuwait government to recruit unskilled, semi-skilled and skilled technicians, engineers, doctors and teachers from Bangladesh.

Abdul Aziz Al-Khalidi, under secretary of the commerce and industries ministry of Kuwait, Syed Shahed Reza, Bangladesh's ambassador to Kuwait, and Monoj Kumar Roy, joint secretary of the commerce ministry of Bangladesh, were also present at the signing ceremony.

Flydubai launches new route

STAR BUSINESS REPORT

Dubai-based low-cost carrier Flydubai launched its new route from Dhaka yesterday, a new move to bring down the fares of flying to the United Arab Emirates for 700,000 Bangladeshi migrant workers.

Flydubai, a sister concern of Emirates, earlier launched its operations in Bangladesh from Shah Amanat International Airport in Chittagong on January 17.

"The flights to Dhaka and Chittagong will not only cater to the Bangladeshi workforce in the UAE, but will also increase the trade and business between the two nations," said Ghaith Al Ghaith, chief executive officer of Flydubai.

"I hope the service will be an attractive option for Bangladeshis living in Dubai to make an affordable, safe and comfortable journey," he added.

He was speaking at a press conference organised by Flydubai at the Pan Pacific Sonargaon Hotel in Dhaka.

Ghaith said the carrier is already getting huge responses from Bangladeshis

travellers, especially migrant workers, as it offers a flexible tariff structure.

A person would only have to pay when they carry luggage and the cost of meals would not be included in the fare.

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

Flydubai charges \$125 including taxes for one-way fare from Dubai to Dhaka, while the fare is \$200 for flying from Dhaka to Dubai. The fares also cover carrying one piece of hand luggage weighing up to 7 kg.

At present, the carrier flies four times a week from Dubai to Dhaka and Chittagong on Monday, Wednesday, Friday and Sunday.

Ghaith claimed that they are utilising nearly 100 percent of their carrying capacity on each flight.

Established in March 2008, Flydubai is Dubai's first low-cost airline. Set up by the government of Dubai, the carrier has a fleet comprising 14 brand new Boeing 737-800 NG aircraft and operates to 33 international destinations.



Akku Chowdhury, executive director of Transcom Foods, the franchisee of KFC in Bangladesh, receives the Financial Excellence award from Niren Chaudhary, managing director of Yum! Restaurants (India) Pvt Ltd, and Neil Thompson, chief financial officer, at Franchisee Road Show 2011 at Taj Lands End in India on January 18. KFC Bangladesh also won the Brand Builders of the Year award.

Energy adviser urges efficient use of gas

UNB, Dhaka

The industry owners should introduce energy conservation appliances in their factories to ensure efficient use of gas, said Prime Minister's Energy Adviser Tawfiq-Elahi Chowdhury yesterday.

"If we could make our industries efficient in consuming gas, it would reduce at least one-third of their gas consumption. This would not only benefit the Titas Gas company, but also help the factory owners reduce their gas bills," he said at a seminar in the capital.

Titas Gas Transmission and

Distribution Company organised the discussion on "National Capacity Building for Improving the Energy Efficiency of Industrial Boiler and Furnaces" at Sonargaon Hotel.

German donor agency GIZ assisted Titas to organise the seminar under its Sustainable Energy Development (SED) programme.

State Minister for Power and Energy Mohammad Enamul Haque, Petrobangla Chairman Hossain Mansur, Titas Gas Managing Director Abul Aziz Khan and GIZ Program Coordinator

Erich Otto Gomm also spoke.

The country's different industries have about 1,000 gas-fired boilers. But, most of those are often blamed by experts to be inefficient in consuming gas.

As part of its efforts to encourage the industries to ensure efficient use of gas in their boilers, the Titas gas undertook a programme to convert those into efficient ones.

The adviser said Titas should convert at least 20 industrial boilers into efficient ones in next six months to show their seriousness.

He, however, expressed his

frustration about a poor presence of industrial entrepreneurs at the seminar, saying that the industry owners should come forward to introduce efficient system for their own sake. "But today they are not present though they are very vocal about the gas crisis."

Mohammad Enamul Haque said if the industries use efficient boilers, it would save at least 25 percent in their consumptions. He urged Titas and Petrobangla to launch motivation programmes to encourage the industries to use efficient boilers.

The Petrobangla chairman said if the industries use efficient boilers, it would help save 95 million cubic feet of gas per day (mmcf) against the country's total gas production of 2,000 mmcf.

He criticised the members of the civil society for not portraying the government's success stories while taking part in TV talk-shows.

He said Petrobangla has recently discovered a new gas structure about which the prime minister will make a formal announcement soon.

India renews support for pro-green policies

AFP, New Delhi

India's crusading environment minister has rejected criticism that his pro-green policies are driving away foreign investors and said the country "cannot pollute its way to prosperity".

Jairam Ramesh, whose push to enforce environmental rules has put him in conflict with business, said there was "no robust empirical evidence" to suggest his blocking of industrial projects had contributed to a drop in foreign investment.

India, whose economy is expected to grow by 8.6 percent in the current fiscal year, must ensure that its growth "is ecologically sustainable," Ramesh told a gathering of foreign journalists late Monday.

"The time has come for India to make tough choices," said Ramesh, whose ministry was seen as little more than a rubber stamp for industrial projects before he took over the portfolio.

The country "cannot pollute its way to prosperity," Ramesh said. "All I am doing is enforcing the laws of the land."

Ramesh has created waves in recent months by shelving plans by British giant resources Vedanta to mine bauxite on land held sacred by tribal people, ordering the demolition of a 31-storey luxury condominium in Mumbai, and stalling con-

struction of a \$3 billion luxury residential town in western India.

The minister, who is reported to have been prodded by ruling Congress party colleagues to be more conciliatory, last month approved plans by South Korea's Posco to build a \$12 billion steel mill but attached over two dozen conditions.

Worries have been raised in financial circles that Ramesh's zealous enforcement of environmental rules is creating an uncertain regulatory climate that is deterring foreign investors.

In 2010, foreign direct investment (FDI) in India slid 32 percent from a year earlier to \$24 billion, according to United Nations figures.

India's central bank recently voiced concern that "a major reason for the decline in inward FDI is reported to have been the environment sensitive" policies pursued by the government.

India badly needs investment to upgrade its shabby ports, highways and other transport as it seeks to end bottlenecks and propel economic growth to double-digit levels the government says are needed to reduce massive poverty.

Ramesh said he was attaching more conditions to some environmental approvals "but I have never said I am here to reject projects".

"I am not Dr. No," he said, referring to his media nickname.

NCC Bank reappoints MD

STAR BUSINESS DESK

Mohammed Nurul Amin has been reappointed as managing director and chief executive officer of NCC Bank for the next three years, the bank said in a statement yesterday.

He was first appointed to the post in 2005. A postgraduate in economics from Dhaka University, Amin started his career with Janata Bank as senior officer in 1977. He also served National Bank before joining NCC Bank in 1985.

Amin is also the chairman of Primary Dealers Bangladesh Ltd, vice chairman of Association of Bankers, Bangladesh and treasurer of Bangladesh Foreign Exchange Dealers' Association.



Indian bank to offer credit to Bangladesh, Sri Lanka

MUMBAI, PTI

The Export-Import Bank of India (Exim Bank) has entered into an agreement with Bangladesh for providing a \$1 billion line of credit for financing exports and consultancy services for projects in the neighbouring South Asian country.

The credit agreement under the line of credit (LoC) is effective from February 1, 2011, and the date of execution of agreement is August 7, 2010.

"Exim Bank has concluded an agreement dated August 7, 2010, with the government of Bangladesh making available to the latter an LoC of \$1 billion for financing eligible goods and services, including project exports and consultancy services in Bangladesh," the Reserve Bank said in a statement.

The goods and services, including consultancy services from India for exports under this agreement are those which are eligible for export under the foreign trade policy of the Indian government.

Out of the total credit under this agreement, the goods and services including consultancy services of the value of at least 85 percent of the contract price will be supplied by the seller from India.

Meanwhile, Exim Bank has also entered into an agreement with Sri Lanka to provide LoC worth \$416.39 million for three infrastructure projects.

SME fair kicks off in Ctg

OUR CORRESPONDENT, Chittagong

A two-day SME fair, jointly organised by SME Foundation and Bangladesh Bank, started in Chittagong yesterday.

Thirty-two banks and financial institutions are participating in the show.

Bangladesh Bank Governor Atiur Rahman inaugurated the Small and Medium Enterprise (SME) Financing Fair - 2011 where SME Foundation Chairman Aftab ul Islam was in the chair.

The SME sector is contributing to the national economy by providing jobs to many people in the country, said Rahman. It has been playing an important role to bring equilibrium in the differences between men and women, villages and cities, he added.

The government is now treating the sector as a driving force of the economy, the central bank chief added.

Channel i News Director Shaikh Siraj, Agrani Bank Chairman Khondoker Bazlul Hoque and BRAC Bank Managing Director Syed Mahbubur Rahman were also present.

CPD's Board of Trustees meeting held

STAR BUSINESS DESK

The 35th meeting of the Board of Trustees of the Centre for Policy Dialogue (CPD) was held at the CPD dialogue room in Dhaka yesterday.

CPD Chairman Rehman Sobhan presided over the meeting where Executive Director Mustafizur Rahman was also present along with the trustees.

The board reviewed the organisation's research, publication and dialogue activities involving various national, regional and international level studies and events during September 2010 to January 2011, CPD said in a statement yesterday. Trustees expressed their satisfaction over CPD's performance in the period.

The board also approved the think-tank's annual accounts for 2010 and budget for 2011 and endorsed its plan for research, dialogue and publication related activities for 2011.

The activities will cover a wide range of research studies such as undertaking review of the Sixth Five Year Plan, organisation of South Asia Economic Summit and participation at the fourth LDC Conference in May 2011.

GM head vows to focus on China

AP, Beijing

China will play a much bigger role in General Motors Co.'s plans including clean energy vehicles as it moves to capitalize further on rapid growth in the world's largest auto market, the company's CEO said Tuesday.

Calling China "the crown jewel in the GM universe," Chief Executive Daniel Akerson said the automaker plans to launch more than 20 new or redesigned cars in China over the next two years.

"China is central to our global strategy," he said at a news conference. "We want to understand the preferences that the China market wants. We bring our best designs, best technology to China."



AGORA

Niaz Rahim, managing director of Rahimafrooz Superstores that manages retail chain Agora, receives the Retail Leadership award from the global council and jury of the Asia Retail Congress in Mumbai, India. The award was given recently in recognition of Rahim and his team's professional efforts in driving the growth of Agora.



TRIUNE

TNT-ISCEA Bangladesh Supply Chain Excellence Award was organised at the closing ceremony of First International Supply Chain Management Conference Bangladesh 2011 at Radisson Water Garden Hotel in Dhaka recently. Mohammad Abdul Awal, head of supply and logistics of LM Ericsson Bangladesh, and SM Sharfuddin Mahi, deputy general manager of Rangs Properties, attended the programme.