

# WTO seals deal to open up govt procurement market

AFP, Geneva

Members of the World Trade Organisation on Thursday reached an agreement to widen a deal on public work contracts that could unlock up to 100 billion euros-worth of new market access.

"The deal opens new access on government procurement between the signatories," said Pascal Lamy, director-general of the WTO.

The accord boosts a public tender market worth 600 billion euros, up from 500 billion euros previously, and includes new coverage of industries such as telecommunications as well as offering full access in construction services.

The figures are based on the 42 countries who are current signatories of the existing government procure-

ment agreement.

A separate WTO study, which includes several other countries plus China and Brazil, shows that the new agreement could lead to up to \$970 billion of new market access annually.

For the five major emerging economies -- Brazil, Russia, India, China and South Africa who are not signatories of the current accord on government procurement -- the amount of potential market access could be as high as \$596 billion.

EU internal market and services commissioner Michel Barnier said that the deal is a "win-win" solution.

US trade representative Ron Kirk also welcomed the deal, adding that he "hoped the result would have a dynamic effect for other issues being negotiated at the WTO."



AFP  
**Civil Aviation and Tourism Minister Faruk Khan, right, shakes hands with India's Minister of Commerce Anand Sharma at the Saarc ministerial meeting on the sidelines of the eighth Ministerial Conference of World Trade Organisation in Geneva on Wednesday.**

## Duty-free access for LDCs in focus

STAR BUSINESS DESK

Saarc ministers have recently urged to implement the Hong Kong decision regarding duty-free and quota-free market access for least developed countries without further delay, preferably by 2012.

They made the call at the "SAARC commerce ministers' meeting" chaired by Civil Aviation and Tourism Minister Faruk Khan, according to a statement of the commerce ministry yesterday.

# Russia accession takes centre stage at WTO meet

AFP, Geneva

Russia's 18-year bid to join the World Trade Organisation will take centre stage at the trade body's ministerial conference which opens Thursday, amid morose prospects for a free trade pact.

Launched a decade ago in the Qatari capital, the Doha Round of negotiations have faltered, with leaders from the biggest economies admitting that negotiations will never come to a fruitful end if talks continued in the same vein.

As a result, the main bright spot of the ministerial conference is expected to be the membership's approval of Russia's bid to join the trade body.

The move would usher in the last of major economies still outside the trading club.

It comes however at a time when strongman Vladimir Putin's ruling United Russia is struggling to calm a wave of protests over alleged election fraud.

The recent legislative vote had been seen as a test of Putin's decision return to the Kremlin in March presidential elections and the worse-than-expected result

and subsequent protests appear to have caught the state off guard.

Besides Russia, the WTO will welcome two other new members -- Samoa and Montenegro -- to its fold during the three-day meeting.

The ministerial conference takes place however at a time when the nerves of free trade proponents are being tested. The WTO had earlier cut its forecast of world export growth in 2011 to 5.8 percent from 6.5 percent.

Amid the European public debt crisis, the subdued world economic outlook is leading to a rise in protectionist trends, ministers warned on the eve of their meeting.

A group of 20 developing countries issued a statement expressing "serious concern over the increase of protectionism in agricultural trade."

After a meeting with his counterparts from Brazil, Russia, India and South Africa, China's Commerce Minister Chen Deming told reporters that "trends towards protectionism were expected to grow in 2012."



**K Mahmood Sattar, managing director of City Bank, attends a press meet to launch a new product of the bank -- City Home Loan -- at Sonargaon Hotel in Dhaka on Wednesday.**



**Md Ahsan-uz Zaman, additional managing director of Mutual Trust Bank, inaugurates the bank's 73rd branch in Sarulia Bazar under Demra in Dhaka recently.**

## Stocks end in the black

STAR BUSINESS REPORT

Dhaka stocks ended higher yesterday in topsy-turvy trading, a day after the turnover declined significantly due to institutional investors' inactiveness.

The benchmark General Index of Dhaka Stock Exchange -- DGEN -- surged 31.39 points or 0.63 percent, to end the week at 5,000.17.

Turnover declined 48.6 percent, which is the lowest vale in last two trading sessions. A total of 76,977 trades were executed, generating a turnover of Tk 216 crore.

The market opened on a positive note, gaining more than 80 points from the opening hour of trade, and finally ended in the black.

Of the total 256 issues traded, 188 advanced and 54 declined. Fourteen issues remained unchanged.

The Chittagong Stock Exchange also gained yesterday with the Selective Categories Index closed at 9,072.04 points, after adding 32.97 points or 0.36 percent.

Meanwhile, the DSE board approved changed names of Chittagong Vegetable Oil Industries and BOC Bangladesh.

Chittagong Vegetable will be named CVO Petrochemical Refinery with a trading code of CVOPRL instead of CTGVEG with effect from the next trading day.

And BOC Bangladesh Limited will be Linde Bangladesh Limited. Its DSE trading code will be LINDEBD

# CEPZ workers protest house-rent hike

STAFF CORRESPONDENT, Ctg

Tenants, landlords and local representatives rushed into a meeting yesterday in the wake of repeated labour unrests at Chittagong Export Processing Zone (CEPZ) over a house-rent hike.

The tenants, mostly CEPZ workers, announced a plan to hold a rally at the CEPZ intersection yesterday, but it was not held after the police were deployed in the area.

Several hundred garment workers of CEPZ blockaded a main thoroughfare for several hours on December 9 after police foiled their rally to press home their seven-point demand that included measures to stop frequent increase of house rents in the area.

A 91-member committee was formed on Wednesday, headed by local Awami League lawmaker MA Latif to solve the problem.

The committee decided to form ten subcommittees in a week, comprising tenants (workers), homeowners and councillors of four city corporation wards adjacent to the CEPZ where most workers live.

After getting reports from the subcommittees, the main committee will fix house rents, Latif told reporters in the port city.

He said the workers have been asked to file allegations with the committees.

Md Suman, a CEPZ worker, alleged that his house owner hiked the monthly rents by Tk 1,000 without notice. It was tough for him to pay, he said. Homeowners tend to hike house rents several times a year, Suman said.

Md Jalal, a house owner, refuted the allegations and said: "It's a rumour."

# Atiur suggests efforts to combat EU crisis

## The central bank chief opens ESCAP office in India

PALLAB BHATTACHARYA, New Delhi

Bangladesh yesterday suggested a four-point formula, including boosting intra-region trade and investment, to help South Asian and South West Asian countries to effectively combat the ripple effects of Eurozone debt crisis.

The central bank Governor Atiur Rahman made the suggestion at the opening of UN Economic and Social Commission for Asia and the Pacific's subregional office for South and South West Asia in New Delhi.

He also proposed that South Asian and South West Asian countries should explore alternative export markets instead of depending entirely on advanced countries' markets beset with slowdown.

Rahman said the global economy, which was only just coming out of the slowdown triggered by the 2008-09 financial crisis, is "now facing fresh threat from the ongoing European debt crisis".

"While the 2008-09 crisis was largely from irresponsible excesses in household and corporate sector debt levels, the European crisis has been triggered by unsustainable debt levels in the public sector."

Weak demand in developed econ-

omies are already affecting exported output growth in developing economies selling into these markets, Rahman said.

He said investment outflows from developed economies will also remain "depressed by the prolonged slowdown, further clouding the growth outlook for developing economies".

South and South West Asia region, suffering substantial growth slowdown in 2008 and 2009 need appropriate strategies, both internal and external, to cope effectively with the fresh threats to growth recovery, he said.

Countries in South and South West Asia should limit both public and private debts to sustainable levels, Rahman said.

He stressed strengthening of thrust for domestic demand-driven growth, with appropriate income and supply augmenting policies.

This, he said, would "entail widening of the publicly-funded social safety net coverage for the weak and vulnerable population segments."

According to him, it will provide some measure of support for the export sectors affected by slowdown in their traditional markets, and stimulate pursuits in all sectors, particularly micro and small scale farm and non-farm enterprises.

Bangladesh successfully used these approaches in sailing through the 2008-09 global financial crisis with only mild slowdown in growth, the Bangladesh Bank chief added.

Rahman also suggested tapping alternative export markets in the backdrop of demand weakness in traditional markets in advanced economies for upholding the export-driven component of economic growth.

He also proposed increase in trade within South Asia and South Asian countries saying it can substantially compensate for decline in trade with advanced economies.

For this, he suggested negotiating a "new win-win intra-regional preferential trade and tariff arrangements between the countries of the regions".

Rahman said there had been "little visible progress" in use of part of Asia's massive foreign exchange reserve accumulations (nearly \$3 trillion) for the much-needed buildup of physical infrastructure.

Countries in South and South Asia can set aside a portion from the investment tranche of foreign exchange reserves for investment in high-quality financial assets related to infrastructure projects in the region, he said.



**M Reazul Karim, managing director of Prime Bank Ltd, receives the first prize in the ICMAB Best Corporate Award-2011 in the private banking category from AMA Muhith, the finance minister, at a recent ceremony organised by the Institute of Cost and Management Accountants of Bangladesh.**



**Chief Whip of Parliament Abdus Shahid launches the "Online gas bill payment information system" of Jalalabad Gas Transmission and Distribution System, at the Westin Dhaka recently.**

## New chairman for SIBL

STAR BUSINESS DESK

Md Anisul Haque has recently been elected chairman of Social Islami Bank, the bank said in a statement yesterday.

The bank also elected Mohammad Azam and A Jabbar Mollah as vice chairmen, the statement added.

Haque is the finance director of Hamdard (Waqf)



**Md Anisul Haque**

## Indian rupee hits new record low against dollar

AFP, Mumbai

The Indian rupee continued its downward spiral against the US dollar Thursday, hitting another record low due to concerns over eurozone debt crisis and weak domestic data.

The Indian unit -- Asia's worst performing currency this year -- was trading at 54.21 to the dollar, which has now gained more than 21 percent against the rupee since March.

India's central bank has said it will act to prevent a further downward spiral of the rupee, which has been hit by global financial uncertainty, as investors abandon

## Jalalabad Gas earns Tk 51cr net profit

STAR BUSINESS DESK

Jalalabad Gas Transmission and Distribution System Ltd, Sylhet earned a net profit after tax of Tk 51.68 crore and total revenue of Tk 605 crore for 2010-11.

The announcement came at the company's 25th annual general meeting at the Westin Dhaka recently.

Its Chairman Md Sefaul Alam presided over the meeting where Petrobangla Chairman Md Hussain Mansur was also present.

In its 25th anniversary, Chief Whip of Parliament Abdus Shahid launched the "Online gas bill payment information system" of Jalalabad Gas.