

# Indo-Bangla trade fair begins

STAR BUSINESS DESK

The third Indo-Bangla Trade Fair 2012 began at Sonargaon Hotel in the capital yesterday.

India-Bangladesh Chamber of Commerce and Industry (IBCCI) organised the event that is supported by the Indian high commission in Bangladesh and sponsored by the State Bank of India to strengthen the business relations between the two countries.

AMA Muhith, finance minister, inaugurated the fair as the chief guest where Dilip Barua, industries minister; Pankaj Saran, Indian high commissioner, and Nabam Tuki, chief minister of Arunachal Pradesh, were also present.

A Bangladesh-North East India Business Conclave, organised by the Indian Chamber of Commerce in association with the IBCCI, was also held on the sidelines of the showcase.

Dipu Moni, foreign minister; Nabam Tuki, chief minister of Arunachal Pradesh; Mukul Sangma, chief minister of Meghalaya; Gautam Roy, minister for public health engineering of Assam; Jitendra Chaudhury, industries minister of Tripura and Tapang Taloh, industries minister of Arunachal, spoke on the occasion.



IBTF  
Finance Minister AMA Muhith opens the third Indo-Bangla Trade Fair 2012 at Sonargaon Hotel in the capital yesterday. Industries Minister Dilip Barua was also present.

A business delegation from India and a delegation of the government officials from North East Indian states are already in the city for interactions with their Bangladesh counterparts.

More than 30 Bangladeshi and Indian companies in six pavilions and 33 stalls are taking part at the showcase.

One-on-one meetings to boost networking among the business

persons of both the countries have also been arranged.

The Confederation of Indian Industry and Federation of Indian Export Organisation are the fair partners in India. GLOBATT from Rahimafrooz sponsored the inaugural ceremony. Triune Exhibition and Event Management Services is the event coordinator.

# Arunachal Pradesh seeks investment from Bangladesh

UNB, Dhaka

Arunachal Pradesh Chief Minister Nabam Tuki yesterday invited Bangladeshi entrepreneurs to invest in hydropower generation and tourism sectors in the prospective areas of northeast India.

"We have hydropower energy of more than 57,000MW. The state government is looking for business investments in the hydroelectricity sector through the build-own-operate and transfer basis," he said at the inaugural session of the Indo-Bangla Trade Fair in Dhaka.

The chief minister said a closer economic integration and physical connectivity with Bangladesh would not only reduce economic isolation of the region but also dissolve the seclusion of the northeast region with mainland of India.

Finance Minister AMA Muhith, who was the chief guest at the function, however, did not give any clear indication when his government would allow Bangladeshi investment abroad.

"We said one and a half years ago that we would entertain some investments aboard on a case-by-case basis. Certainly India would be a very good destination to that end," he said.

Muhith said he would request Bangladesh Bank to be generous in regards to the entry of Bangladeshi companies in India.

Industries Minister Dilip Barua, Tripura Industries Minister Jitendra Chaudhury, Indian High Commissioner in Dhaka Pankaj Saran, Country Head of the State Bank of India Pinak Chakraborty, Assam Public Health Engineering Minister Gautam Roy and Executive Director of GLOBAT Sayeed Hassan also spoke.

Barua said the fair would be a milestone for strengthening bilateral cooperation and technology transfer between Bangladesh and India.

He proposed a free-market zone with zero tariffs for the Saarc member countries with the spirit of SAFTA, for sustainable regional development, cooperation and the betterment of the common people.

Saran said the visit of the high-

level delegation from India reflects India's larger engagement in Bangladesh. "This is a very good trend. I'm confident that we will both be able to explore opportunities through the event."

President of India-Bangladesh Chamber of Commerce and Industry (IBCCI) Abdul Matlub Ahmad said the trade and investment opportunities of India and Bangladesh are now on an excellent platform.

"We've just witnessed India opening up its market to Bangladesh with zero duty for all Bangladeshi products."

He sought government support to allow Bangladeshi businessmen to invest in India. The government should allow at least 10 percent of one's export to go to India in order to build better and sustainable businesses.

Matlub told the programme that both the Indian Commission in Dhaka and Bangladesh High Commission in New Delhi are issuing one-year multiple visas for businesspeople, which will help strengthen trade ties.



BGMEA  
Shafiul Islam Mohiuddin, president of Bangladesh Garment Manufacturers and Exporters Association, attends the chamber's 29th annual general meeting in Dhaka yesterday. The meeting approved audited financial accounts for 2011.



DCCI  
Obaidul Quader, communication and railway minister, attends a seminar on "Role of communication infrastructure and efficient traffic system for expansion of trade and commerce" organised by Dhaka Chamber of Commerce and Industry (DCCI) in Dhaka yesterday. Asif Ibrahim, DCCI president, was also present.

## Broiler chicken prices shoot up

FROM PAGE B1

Yesterday, broiler chickens were sold at Tk 175-180 a kg, up 6 percent from a week ago. The prices climbed 22 percent from a month earlier when each kilogram of chicken was sold at Tk 140-150, according to Trading Corporation of Bangladesh.

MM Khan, secretary of Bangladesh Poultry Industries Association (BPIA), attributed the rising prices of broiler chicken to a supply crunch of day-old chicks, resulting from the bird flu havoc in parent stock farms since early this year.

Production of day-old chicks (broiler) slumped by nearly half to 45-50 lakh a week in the past two months, said Moshir Rahman, coordinator of Poultry Industry Protection National Committee.

Khan of the BPIA said the dip in production of broiler chickens has pushed up the prices.

"It is simply a supply-demand mismatch," he said, "We have warned several times that parent stock farms are becoming the victim of bird flu."

"Unless the government takes steps to prevent the bird flu, people will leave farming," he said.

Rahman said a number of hatcheries, including his one, are out of production for months after bird flu devastated their parent stock farms.

"Those operators whose hatcheries are in production are getting the increased prices," he said, adding that the prices of day-old chicks would not have gone up, had all hatcheries been in production.

"Eggs and chicken are not something that can be stocked for creating an artificial shortage to increase prices. It is a supply-demand problem," said Rahman.

He demanded the government launch strict vigilance to ensure bio-security in the poultry farms. At the same time, large farms should be allowed to vaccinate birds to ensure supply of day-old chicks, said Rahman.

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# Bangladesh keen on business with Myanmar: GM Quader

## Faruk Khan proposes parliamentary panel to remove trade barriers

UNB, Dhaka

Bangladesh is keen to do business with Myanmar in a win-win situation for the both next-door neighbours, Commerce Minister GM Quader said yesterday.

He said connectivity by air, sea and land is the key to giving a boost to bilateral trade.

"I hope all trade barriers with Myanmar will be removed soon. Bangladesh as a close neighbour will enjoy better trade privileges than other countries," Quader told a seminar at Ruposhi Bangla Hotel in Dhaka.

The minister also said problems related to the payment mechanism would be resolved as Sonali Bank and the central bank of Myanmar have signed a deal on currency exchange.

Bangladesh Myanmar Chamber of Commerce and Industry (BMCCI) arranged the seminar, 'Doing Business between Bangladesh and Myanmar and Mechanism for Settling Payments' where its honorary adviser Karar Mahmudul Hasan presented a keynote paper.

Civil Aviation and Tourism Minister Faruk Khan hoped that three ways of communication -- air, sea and land -- with Myanmar would soon be made

functional which would help strengthen bilateral trade.

"All formalities have been done regarding the air route. A final deal will be signed in this regard next month when Myanmar's president will be here," Khan said adding that the river route would also be made operational soon.

"Things are moving fast at the highest government-level. The businesspeople should work faster at the business-level," Khan said.

He proposed the formation of a parliamentary panel with representatives from the two countries to resolve all trade barriers and make the trade relations more vibrant.

BMCCI President KB Ahmed said Bangladesh and Myanmar are uniquely positioned to become strategic partners in developing their economies with a focus on agriculture, rural development and wealth creation more on equitable social balance.

U Yan Win, a member of Myanmar parliament, Sein Maung, chairman of First Private Bank of Myanmar, and Maung Maung Soe, a professor at Yangon Institute of Economics, also spoke.

# Eight more border haats in the offing

FROM PAGE B1

He said there have been a lot of improvements in cooperation between Bangladesh and India, particularly with its northeast states.

"Still, there are many things we need to work on. It is high time for us to identify areas for investment opportunities," he said.

He said there is a need to strengthen social bonds among people of Bangladesh and northeast states, apart from working on boosting economic ties. "We have to work to strengthen contacts among people, which existed in the past, to dispel mistrust among them."

Sangma said the two countries can work on tourism, which has an enormous potential to grow. "If we do it jointly we will be able to make our products attractive."

MK Saharia, chairman of the north-east chapter of ICC, said the growth prospect of India, particularly in its north-eastern region is directly linked with the growth and prosperity of Bangladesh.

He said the two-way annual trade between India and Bangladesh tops \$5 billion, where Bangladesh's exports account for only \$500 million.

"This is the scenario although India has removed all duties on Bangladeshi products. Here Bangladesh must understand that it produces products that Indian manufacturers also do. As a result, the Bangladeshi producers face competition."

"Bangladesh should diversify its export basket," he said. "The two countries should also initiate joint ventures aiming not only their respective domestic

markets, but also for a third country."

India offers a market of 1.2 billion people to Bangladesh, said Saharia.

The deputy high commissioner said, given the geographical proximity, Bangladesh would never lose its competitive advantage for export of its goods to the northeast as compared to goods from Indian mainland via Chittagong to northeast India.

"The only goods in which there will be a cost advantage are those not produced or manufactured or not in surplus in Bangladesh. Therefore, the opinion of some naysayers of loss of advantage is not based on facts," he said.

The diplomat said the Indian High Commission in Dhaka has started issuing one-year multiple entry visas liberally to all genuine business applicants and at least a six-month multiple entry visa for those having proper support documentation and letter of introduction from chambers.

"We feel that unless there is an easy access for the business community, we are not really encouraging business," he said.

Jitendra Chaudhury, industries minister of Tripura, said if common people could travel each other frequently and easily, all barriers would go, let alone any non-tariff barriers.

Tapang Taloh, industries minister of Arunachal Pradesh, Gautam Roy, public health minister of Assam, Mamun Rashid, director of BRAC School of Business, Abdul Matlub Ahmad, president of IBCCI, and Rejeev Singh, director general of ICC, also spoke.



TBIL  
General Md Abdul Mubeen, chairman of Trust Bank Investment, attends the company's second annual general meeting in Dhaka recently. Major General Ashraf Abdullah Yussuf, vice chairman of Trust Bank, was also present.



STANDARD BANK  
Kazi Akramuddin Ahmed, chairman of Standard bank Ltd, attends the bank's 13th annual general meeting at Bashundhara Convention Centre in Dhaka yesterday. The bank announced 20 percent stock dividends for 2011. Mohd Yousuf Chowdhury, vice chairman, was also present.

## Rating outlook stable

FROM PAGE B1

"Bangladesh's weak institutions and governance hamper investment and development, while its volatile political setting detracts from legislative efficiency and harbours the potential for instability. These factors are additional rating constraints," observed the rating agency.

But Benard said such credit weaknesses are balanced against strong growth and external support.

"In our view, the strength of key economic segments -- garment, remittances and agriculture -- will sustain growth in line with recent trends, rising to about 6.7 percent by 2015, as global demand recovers," Benard added.

The stable outlook reflects strong growth prospects and ongoing donor support, which ensures low-cost and long-maturity external debt and minimises refinancing risk.

S&P said these factors are balanced against lingering inflation risk and balance of payments pressure as imports expand.

Conversely, the firm could have downgraded the sovereign ratings if the country's fiscal slippages result in rising public debt and external donor support declines materially or due to other substantial deviation from the policies required under the IMF Extended Credit Facility programme.

The Bangladesh Bank, the country's central bank, has hailed the S&P ratings and said the stable outlook came due to the BB's policy response to the balance of payments pressures.

"The stable outlook for Bangladesh is particularly significant given that the global economic crisis has led to downward ratings revisions for many other countries," said Hassan Zaman, senior economic adviser to the governor.

For instance, Zaman said, in April S&P changed India's outlook from 'stable' to 'negative' and Vietnam is rated the same as Bangladesh, but it has a negative outlook.

"The S&P team told us that one of the key reasons they were retaining the ratings outlook was because of the policy response to the balance of payments pressures Bangladesh faced towards the end of last year," he said.

"They (S&P) were encouraged that the exchange rate was allowed to depreciate limiting the losses to our foreign reserves; monetary policy was more restrained limiting import demand, and external financing from