Star BUSINESS

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Hasina calls for deeper trade links with Vietnam

BSS, *Hanoi*

In Hanoi yesterday, Prime Minister Sheikh Hasina proposed that Vietnamese entrepreneurs increase trade and investment in Bangladesh. She noted that her country had a vibrant business sector which Hanoi could derive advantage from, to the mutual benefit of the two countries.

The Bangladesh leader noted, however, that despite a combined market of 250 million people, Vietnam and Bangladesh still had some way to go before they could engage in balanced trade with each other.

"In South Asia, Bangladesh is the second largest importer of Vietnamese products after India," she told a business forum meeting in Hanoi, organised by Vietnam-Bangladesh Business Forum at the Vietnam Chamber of Commerce and Industry office.

Dhaka's trade with all other Asean countries, in terms of its exports to those countries was more satisfying "than with one of our most friendly countries Vietnam". Hasina proposed that the two countries be partners in business activities in order to reap mutual benefits in the near future.

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Prime Minister Sheikh Hasina discusses bilateral trade and investment with Vu Tien Loc, chairman of Vietnam Chamber of Commerce and Industries, in Hanoi yesterday. AK Azad, president of the Federation of Bangladesh Chambers of Commerce and Industry, was also present.

Four commodities to face export ban

Cabinet panel to discuss new rules today

REJAUL KARIM BYRON

The new export policy will ban exports of rice, sugar, soybean oil and palm oil.

The four commodities have been included afresh in the list of exports to be banned in the draft export policy for 2012-15. The cabinet committee on economic affairs will discuss the new rules at today's meeting.

The draft also proposes setting up a databank under the 'national portal' containing detailed breakdown of the commodities produced and exported by Bangladesh, tariff rates in different countries, and conditions of rules of origin.

The draft policy said the databank would be set up in co-operation with government and nongovernmental organisations.

The database will be of help to exporters and importers, banks and non-bank financial institutions, National Board of Revenue and other stakeholders.

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Bangladesh slips 3 notches in global brand ranking

UK-based FutureBrand releases index

STAR BUSINESS REPORT

Bangladesh slipped three places to 110th in the 2012-13 edition of the Country Brand Index, compared to the previous study that ranks nations based on current global perceptions about them.

FutureBrand, a UK-based brand consultancy firm, has recently released the annual index, using its proprietary methodologies to compare countries' industry, economy, public affairs and culture -- from the point of view of key global audiences.

The index, now in its eighth year, drew upon insights of 3,600 opinion-formers and frequent international travellers from 18 countries on 26 factors pertaining to a country's public image.

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The countries were judged in the categories of value system, quality of life, heritage and culture, good for business and tourism.

This year, Switzerland overtook the two-time bellwether Canada to be the world's top country brand, followed by Canada, Japan, Sweden, New Zealand, Australia, Germany, United States, Finland and Norway.

The Maldives, which moved up two places to 16, was the only country in South and Southeast Asia to be ranked in the top 20. India came in at 42.

Experts blame Bangladesh's poor efforts at branding for the slippage in ranking.

"Branding is very, very important to present a country's products at the world stage and better its image, but we have not done anything properly in this area," a brand analyst said.

In a new addition to the study, FutureBrand has published a ranking of 15 country brands on course to transform the global landscape economically, politically and culturally in the years to come.

The ranking, termed Future Fifteen, had the United Arab Emirates on the pole position, for its aptitude in capitalising on its abundance of natural resources and in exercising excellent government foresight around policy and investment.

Chile, Malaysia, Qatar, Estonia, China, Iceland, Mexico, Brazil, Turkey, Thailand, Colombia, India, Kazakhstan and Vietnam, make up the other countries of Future Fifteen.

Tanners, leather exporters against rawhide export

REFAYET ULLAH MIRDHA

Tanners and leather exporters opposed the commerce ministry's plan to allow rawhide exports, on the grounds that it might cause a scarcity for the local industry.

"We have set up expensive machineries for processing rawhide and manufacturing leather goods. Now if the government allows exports of raw hide, our investment will be compromised," said Shamsul Huda, president of Bangladesh Tanners Association.

The tanners and leather goods manufacturers threatened to take to the streets to protest the ministry's decision, he added.

Like Huda, Aftab Khan, president of the Bangladesh Hide and Skin Merchants' Association, said the local leather and leather goods manufacturing industries would be affected by the government decision.

"Our local industries had incurred losses for global economic meltdown in 2008, when the sales declined greatly. Now we will face another crisis if the decision comes into effect," Khan said.

Earlier on October 31, Commerce Minister GM Quader said the government was considering the option of rawhide exports to perk up the ailing sector.

"The rawhide business is in trouble. We are worried about the low prices in the local market," Quader said, while suggesting the prices might have been influenced by a section of the traders.

This Eid rawhide prices were 20 percent lower, with cowhide and goatskin selling at Tk 60-75 and Tk 35-40 per square feet respectively in Dhaka and at much lower prices outside the capital.

Huda, however, agreed that the seasonal traders have received lower prices for rawhide.

"But the big merchants are receiving proper prices."

The ministry will hold talks with different stakeholders separately before taking the final decision on rawhide export, Quader told The Daily Star by phone.

With regards to the historically low prices of rawhide, he said: "We will investigate whether the prices are being manipulated by any section."

City Group to produce rice-bran oil

SOHEL PARVEZ

Local commodity giant City Group plans to launch its own brand of rice bran oil on the domestic market by April, an official of the company said yesterday.

City's move comes following the introduction of this form of cooking oil, extracted from the germ and inner husk of rice, to the market by a couple of competing firms, Emerald Oil Industries Ltd and Rashid Oil Mills.

"Peoples' tastes are changing. At the same time, their health consciousness is growing. That's why, we are planning to make cooking oil from rice bran," said Biswajit Saha, the group's general manager.

"It will be an addition to our existing product basket, where we already have soybean and canola oil."

The edible oil, to be made from the locally available rice bran, would require initial investment of Tk 7-10 crore for the specialized extraction plant.

"We have a refinery. So we don't need a big investment," added Saha.

Rice bran oil, owing to its high smoke point and mild flavour, is suitable for high-temperature cooking methods such as stir frying and deep frying, and hence is popular in several Asian countries, including Japan and China.

The edible oil comes with various health benefits too; medical studies found its consumption led to reduction in blood cholesterol level, inhibition of gastric acid secretion, lowering of blood pressure, modulation of pituitary secretion, among others.

But Bangladesh, despite producing 3.3 crore tonnes of rice per year, is yet to fully tap the potential of such beneficial oil.

Modernisation of the mills may allow the country to produce up to 22 lakh tonnes of rice bran oil per year, said Layek Ali, convenor of Bangladesh Auto Major and Husking Mill Owners Association.

To encourage investment in rice bran oil, the government is offering tax exemption facilities, starting from fiscal 2012-13.

Investors wishing to set up factories in Dhaka and Chittagong would get a five-year tax exemption facility, with full exemption in the first two years of commercial production.