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#### **SULTANA'S DREAM**

Article rereads the story by Begum Rokeya in the light of refugee law PAGE 12

Vol. XXIII No. 153

### A LANGUAGE WARRIOR

SABAN 8, 1434 HIJRI

Star commemorates life and work of Hasan Hafizur Rahman

PAGE 9

#### **AHMADINEJAD IN TROUBLE?**

A court summons the president, days after Rohani sweeps polls

PAGE 8

# Ticfa to take off

ASHAR 4, 1420 BS

### US happy as cabinet clears the draft finally

STAFF CORRESPONDENT

After more than a decade of talks, the government yesterday finally gave the go-ahead to the signing of a crucial deal that is expected to accelerate trade and investment with the US.

The draft Trade and Investment Cooperation Forum Agreement (Ticfa) that the cabinet yesterday approved says the two countries will foster an open and predictable environment for trade and investment. Washington has welcomed the

cabinet's decision to approve Ticfa while Dhaka is waiting for an opportune moment to sign the agreement in the United States or in Bangladesh. "We welcome the cabinet's decision

to approve Ticfa and look forward to further discussions so that the agreement can be signed in the near future," US embassy spokesperson Kelly McCarthy told The Daily Star yesterday. The deal is expected to force

Bangladesh to take a clear stance against corruption and promote fundamental labour rights laid out in the ILO declaration of 1998 and effectively enforce the local labour law.

It will also push Bangladesh towards enforcing intellectual property rights in line with the World Trade Organisation (WTO) rules.

Bangladesh will also open its services sector to US investors.

The two countries will form a forum month. to discuss these issues and barriers to trade and investment.

It took the government long to finally okay the deal because of a difference of opinion over how to improve labour standards. Bangladesh wanted a "gradual"

improvement in labour standards while the US did not want any such qualifier.

The second stumbling block was the foreign ministry's objection to a rule that stipulates an immediate upgrade of labour standards.

The draft was supposed to be approved at a cabinet meeting on May 13, but that did not happen since Foreign Minister Dipu Moni, one of the key players in the deal, was not present at the time.

The government's decision to sign the deal came amid threats from Washington to scrap or reduce preferential trade benefits to Bangladesh exports. The US is seriously questioning labour and safety standards in the wake of the Rana Plaza disaster that killed over 1,100 garment workers.

The verdict on the Generalised System of Preference (GSP), a scheme

that gives trade benefits to Bangladesh, is expected to come by the end of this

Reacting to the government's decision, analysts said it is a timely move to boost business with the US.

However, concerns remain over opening up of the services sector to foreign investors and adherence to Intellectual Property Rights (IPR).

Bangladesh is exempted from the obligation to abide by the IPR until 2021 under the WTO. But agreeing to IPR norms with the US may see that privilege gone.

Toufiq Ali, former Bangladesh ambassador to WTO in Geneva, said the waiver from intellectual property protection that Bangladesh currently enjoys as a least-developed country under WTO conventions might be compromised by Ticfa.

As regards the services sector, Bangladesh, like India, is reluctant to open up right now as that might affect local business.

Talks for signing an agreement known as the Trade and Investment Framework Agreement (Tifa) started in 2002 although the unofficial talks started a lot earlier, in 1992. Later, Tifa

SEE PAGE 10 COL 5 MIXED REACTIONS TO TICFA - B1 FULL TEXT OF THE DEAL ON OUR WEBSITE

### WHAT'S INSIDE THE DEAL

- \* To set up a trade and investment forum
- \* Forum will work to remove impediments to bilateral trade and investment
- \* Promote labour rights enumerated in ILO declaration of 1998
- \* Deal to protect intellectual property rights under WTO Agreement on TRIPS
- \* Pledge to curb corruption
- \* Forum to meet no less than once a year
- Either party may terminate the deal. Termination will take effect from a date parties agree to, or 180 days after notification

### POSSIBLE BENEFITS

- \* Eliminate trade barriers to US markets
- \* Greater trade will lead to higher export earnings
- \* Foreign direct investment will increase
- \* Generate employment
- \* Technological know-how will rise in Bangladesh
- Encourage private sector contracts between two countries

## 'Some reasons' behind delay

Says commerce minister, hopes now for better trade with US

REFAYET ULLAH MIRDHA

Trade and Investment Cooperation Forum Agreement (Ticfa) with the US will create a platform to settle trade disputes between the two countries, Commerce Minister GM Quader said yesterday.

"We are not signing it under pressure from anyone," Quader said in an interview after the cabinet approved the draft of the agreement. Ticfa arose from the need

for a platform to discuss trade issues, said the minister. Though Ticfa will not improve the country's chances of retaining the Generalised System of Preferences (GSP) from the US, it will open scope for negotiations to reinstate the trade benefits -- in case the United States Trade Representative discontinues the facility.

**GM Quader** 

Formal negotiations for Ticfa began in 2002 in the name of Trade and Investment Framework Agreement (Tifa), but later it was re-branded as Ticfa to make it a binding accord for cooperation between the two countries. Unofficially, the issue has been in talks since 1992.

"In fact, Prime Minister Sheikh Hasina had agreed much earlier to sign Ticfa, but it was delayed for some SEE PAGE 2 COL 3

# Newsprint

Noab tells Muhith STAFF CORRESPONDENT

The Newspaper Owners' Association of Bangladesh (Noab) has expressed concern over a proposal of tax rise on newsprint imports in the proposed national budget for fiscal year 2013-14. If the proposed duty

STAFF CORRESPONDENT

SEE PAGE 10 COL

tion lawmakers staged a brief walkout.

FUTURE OF GRAMEEN BANK

# ruin industry Target total govt control

Commission's recommendations to be disclosed at a July 2 workshop

MD FAZLUR RAHMAN

Grameen Bank Inquiry Commission is set to recommend restructuring Grameen Bank in the shape of Bangladesh Shilpa Bank or Rural Electrification Board in order to give the government absolute control over

the micro-lender.

The recommendations will be unveiled at a workshop "Future Structure of Grameen Bank: Some Options" at the Biam auditorium in the capital on July 2. Finance Minister AMA Muhith will give the keynote speech there.

The government-sponsored commission has already sent invitations to a number of experts to attend the event, said sources.

Nobel laureate Prof Muhammad Yunus, the founder of Grameen Bank, termed the commission's suggestions

# AL lawmaker uses BNP prioritises parleys abusive words at JS with religious scholars

Plans not much agitation before Eid

RASHIDUL HASAN

Having scored a sweeping victory in the four Nazma taking the floor on budget, questioned the Muslim identity of the BNP chief's parents Taiyaba city corporation elections, the opposition alliance is now set to rethink its strategy to force the government into accepting the Speaker Shirin Sharmin Chaudhury at one stage non-party caretaker government system for the parliamentary polls.

> Talking to The Daily Star on Sunday, a number of policymakers indicated that they might give less priority to street agitations, like hartals or occupying street

programmes, before the month of Ramadan.

The BNP-led alliance had earlier decided to intensify street agitations before Ramadan, which begins in the second week of July.

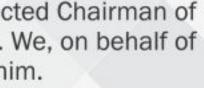
The BNP leaders now say that the alliance may carry out a strong campaign enlisting the support of Islamic organisations and professional bodies to build public opinion against the government and bring other SEE PAGE 2 COL 1



One of the pioneers in the practice of corporate governance in business and industry sector, renowned industrialist, philanthropist and socialite, former Member of Parliament, Chairman of Partex Group, Chairman and Lifetime member of North South University trustee board and foundation; member of IBAIS university trustee board, and one of the Directors of United Commercial Bank Limited, Mr. M. A. Hashem has been elected Chairman of the Board of Directors of United Commercial Bank Limited. We, on behalf of the shareholders, extend our heartiest congratulations to him.

**United Commercial Bank Limited** 





#### switched off Nazma's microphone and requested the lawmaker to speak on budget. But Nazma continued amid clapping of treasury bench MPs and presence of Prime Minister Sheikh Hasina. SEE PAGE 2 COL 7

The House session yesterday was wrecked by disorder and

walkout as Awami League MP Nazma Akhtar launched blis-

Majumder and Iskandar Majumder. In protest, the opposi-

tering personal attacks on BNP Chairperson Khaleda Zia.