Political unwillingness stalling Doha agenda

Analysts speak at Bangkok dialogue

REFAYET ULLAH MIRDHA, from Bangkok

..... Political unwillingness among member countries of the World Trade Organisation (WTO) has been holding back the implementation of Doha Development Agenda which calls for lowering of trade barriers around the world, trade analysts said yesterday.

The negotiations started in November 2001 but ran into a dead end in 2008 over a host of issues.

"The Doha Development Agenda (DDA) is like everything is agreed and yet nothing has been agreed," Margaret Liang, a free trade agreement adviser and a professor at the National University of Singapore, said at a dialogue on 'reviving multilateralism: road to Bali and beyond' at the United Nations' Economic and Social Commission for Asia and the

Pacific (ESCAP) in Bangkok, aid of trade and reducing Thailand.

Subsequently, the member countries plan on discussing three sticking issues pertaining to agriculture, package for leastdeveloped countries (LDCs) and trade facilitation at the ninth ministerial conference due to begin on December 3 at Bali.

"We still have a hope of reviving it," she said, adding that the cost of business would reduce signifi- said. cantly if the multilateral trading system prescribed by the DDA is adopted.

She said trading cost increases by 1 percent globally every year due to tougher conditions set by different countries in transit of goods. In 2011, \$750 billion was spent globally due to tough business proce- chief inspector general of the dural of documents.

businesses' costs," Liang said.

Jonathan Kenna, Australia's permanent representative to ESCAP in Bankok, said trade facilitation is particularly needed for land-locked countries like Nepal and Mongolia.

"If we fail to reach a consensus in Bali WTO meeting, it will be a major blow to the conditions of multilateral trading system," he

If full adaptation of trade facilitation globally is not possible, regional electronic transaction systems might be introduced to reduce the cost of businesses, said Ravi Ratnayake, director of trade and investment division of ESCAP.

ministry of commerce of Thailand, "So, logistics should be easier for said if political willingness is commerce, Myanmar, also spoke.

Thawatchai Sophasatienphong,

present, implementation of DDA would not be difficult.

He added that the US has shown a little interest in the multilateral trading system.

"We need a meaningful duty-free and quota-free scheme from the developed countries," said Nam Viyaketh, minister of industry and commerce of Lao PDR.

Regarding WTO's aid for trade, Biswajit Dhar, director general of Research and Information System for Developing Countries, India, said the donor agencies disbursed \$33.6 billion in 2011 as aid for trade from the committed \$41.60 billion for the same year.

"So, the recipient countries have also the responsibility to collect the fund from the donor agencies to utilise it for trade," he said.

Pwint San, deputy minister of

Stocks cheer up on political calm

STAR BUSINESS REPORT

Stocks gained yesterday with turnover on the prime bourse hitting a three-month high, powered by investors' buying spree in anticipation of calm prevailing in the political

Turnover, the most important indicator of the market, advanced 35.86 percent to Tk 788 crore from the previous day.

DSEX, the benchmark general index of the Dhaka Stock Exchange, closed at 4,381 points, the highest this year, after surging 101 points or 2.38 percent.

The sudden surge in turnover from stockthirsty investors pushed the index up right from the starting whistle, LankaBangla Securities said in its analysis.

"The sudden jump in turnover indicates injection of funds from high net worth individuals or institutions."

Investors are probably coming out of political fear and believing that the market has already discounted these factors, the stockbroker said.

The more soothing political environment gets the more vibrant and confident the investment scenario, IDLC Investment issues unchanged on the port city bourse that said in a market analysis.

Almost all sectors observed significant buying interest on the day. The banking sector led the market, posting a 2.50 percent increase in market cap with a 60 percent rise in turnover.

The power sector rose by 2.8 percent with 33.3 percent rise in turnover. Foods gained 4.17 percent and cement 3.65 percent.

A total of 1.89 lakh trades were executed with 19.9 crore shares and mutual fund units changing hands on the Dhaka bourse.

Of the 288 issues that traded on the DSE floor, 223 advanced, 57 declined and eight remained unchanged.

Paramount Textile featured on the most traded stocks chart with 78.43 lakh shares worth Tk 36 crore changing hands. The company also placed on the chart of highest gainers of the day, rising 62.85 percent on its debut day.

Eastern Housing was the worst loser, falling 8.76 percent.

The Chittagong Stock Exchange ended higher for the fifth session with its selective categories index, CSCX, gaining 202.59 points, to close at 8,573.04 points.

Gainers beat losers 170 to 38 with 16 traded 2.31 crore shares and mutual fund



Mudassir Murtaza Moin, managing director of Rahimafrooz Distribution Ltd, presents performance awards to business partners, at a company convention at Brac CDM in Savar recently.

Bangladesh will demand restoration of GSP in Ticfa meeting

DIPLOMATIC CORRESPONDENT

Dhaka will demand for restoration of GSP facilities and duty- and quota-free market access to the United States at the first meeting after signing the Trade and Investment Cooperation Forum Agreement (Ticfa) likely on November 25.

A delegation of government officials from the ministries of foreign affairs, commerce, and labour will leave for Washington on November 23 to ink the much-awaited trade deal, foreign ministry officials said.

The agreement will be made effective immediately after its signing, and the two sides will also hold the forum's first meeting on the same day.

Ticfa is not a legally binding agreement; rather it will form a platform for discussions to facilitate trade between the two countries.

The US side is expected to raise the issue of labour standard in factories, workers rights, building safety etc.

The deal will 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.

Bangladesh will also open its service sector to US investors. Commerce Secretary Mahbub Ahmed will lead the delegation and sign the agreement on behalf of Bangladesh, while a deputy United States Trade Representative will represent USA.

CCCI urges solution to gas crisis in Ctg

STAFF CORRESPONDENT, Ctg

Mahbubul Alam, president of Chittagong Chamber of Commerce and Industry (CCCI), yesterday urged Tawfiq-e-Elahi Chowdhury, energy adviser to the prime minister, to take initiatives to address the current gas crisis in Chittagong. The gas crunch is affecting export-oriented garment

sector, CNG filling stations, housing, steels and re-rolling mills, Alam said in a statement. Chittagong receives 200 million cubic feet (mmcf) gas

a day, half of the daily demand of the area, he said. Moreover, gas is also being supplied to Chittagong

Urea Fertiliser Ltd from this 200 mmcf of late, further stressing the crunch, Alam added.

Wal-Mart audit finds progress at factories

"This is the first time any retailer has published this breadth of information about their factory base," said Jan Saumweber, vice president of ethical sourcing at Wal-Mart. "We were so encouraged to see the rate of improvement

days from the initial assessment to follow through." She said the next phase of the process — a follow-up assessment of all of the factories — will begin in January.

in such a short window of time. On average, they had 60

The new inspection regime was prompted by the

death of over 1,130 garment workers in the Rana Plaza building collapse in April. The disaster, one of the worst industrial disasters on

record, put pressure on all multinationals to act because they had made Bangladesh Asia's biggest clothes exporter after China and Hong Kong by taking advantage of its low costs. "It's always good to have companies like Wal-Mart

conduct and release the results of the factory audits," said Richard Locke, a political science professor at Brown University, told the Women's Wear Daily. "I think it is good that Wal-Mart stopped doing

The International Labour Organisation welcomed the

business with factories that failed both audits.

development. In Geneva, Gilbert Houngbo, a deputy director-general of the UN agency, said, "You can feel there is a momentum, quite frankly [in Bangladesh] that is quite different to what I saw six months ago." But the audit also sparked calls for more reform.

Scott Nova, executive director of the Worker Rights

Consortium, a monitoring group in Washington, said Wal-Mart's disclosures were disappointingly opaque given the expectations it had created by vowing to be transparent. "They offer no specifics whatsoever as to the dangers

workers face in these factories, just a very general assessment of risk, conveyed through a 'scoring system' that is largely opaque," he said.

Jyrki Raina, general secretary of IndustriALL Global Union, said, "There is very little information in the Wal-Mart reports; no specifics on what kind of dangers workers faced. It is just a very general assessment through this scoring system."

Locke said that audits alone are not enough to exact true reform in Bangladesh. Companies like Wal-Mart must invest to help owners develop more sophisticated management and health and safety systems to sustain a level of compliance. He also noted that retailers and brands should change the purchasing practices that may have contributed to the poor working conditions the companies are now trying to alleviate.

Jay Jorgensen, senior vice president and global chief compliance officer at Wal-Mart, said, "We are doing this because we believe transparency is a key driver of safety. Being transparent in our supply chain will help us all make safer working conditions for the workers."

With details from Women's Wear Daily

Agrani to close savings

To stem their earning loss, the bank management has decided to close down low-margin schemes and cut the interest rate on some others.

Last week, the bank has lowered the interest rate for term deposits of three months and above by 0.5 percentage point, to go with the identical rate cut in August. Now, the rate of interest on Agrani's term deposit stands

Better policies to bring more investment in telecom right legal framework in place to taxation properly and this will

Telecom operators should build sustainable business models that would attract more customers who long for local contents as more countries in Asia are issuing 3G

FROM PAGE B1

He said companies should evolve around local contents to ensure their growth and security of their investment. "Local contents will play a tre-

mendous role in the sector in the coming years," he said. Baksaas said Grameenphone saw

tremendous success in rural Bangladesh through its Palli phone for rural women. Hamadoun I Toure, secretary-

general of the International Telecommunication Union, said, as the ICT sector is going through transformation, people are changing their mindsets to connect in different

"And we need to ensure that the governments and regulators put a

support that change," Toure said, adding that the governments need to create the right environment to attract investment.

allowed to ensure their sustainability, said. which he said is a major concern for all. "Too much licence fees and an inflexible tax regime will hurt the growth of the sector," he added. Toure said local contents should

drive the local market and called upon young people to build their capacities through education so that they can develop innovative products for their communities.

The governments in developing nations should now go for services like e-health and e-education, he said.

Nasser Marafih, chief executive officer of Qatar-based mobile operator Ooredoo, said data and broadband are going to be the next challenges for the emerging economies. The policymakers should address the issues of spectrum, licences and

ultimately benefit the users. "Broadband will drive other

sectors in the days to come and we need to ensure that the devices are The private sector should be available in the market," Marafih There should be continuous

> talks on licences and renewals between the government and the private players so the operators can reduce prices and offer affordable solutions, he said. Public-private partnerships in the telecom sector can bring immense

benefits for users, said Anudith Nakornthap, minister, the government complex, the ICT ministry of Thailand. "The private sector can be

engaged in delivering the services and solutions developed by the government," he said. John E Davies, vice president, Intel

World Ahead Program, Intel Corporation, also spoke at the session moderated by A Reza Jafari, chairman

Garment workers seek clarity over wage

FROM PAGE B1

Meanwhile, Farid Hossain, a production manager at a factory in Ashulia, said word of demonstrations or casualties of workers in other factories sets off workers in all neighbouring factories. "They do not even want to

verify whether the news is true or not. They are just looking for an excuse to wreck havoc," he added. Kabir Hosen, secretary of

National Garment Workers Federation of the Savar industrial belt, however, is stumped by the recent wave of unrest. "This is an embarrassing

situation for my association. I don't know why they are protesting when a salary hike is on way, that too when it is in line with what we demanded." Meanwhile, another bout

of unrest took place yesterday at Ashulia, leaving at least 30

workers and passers-by injured and over 100 factories

The workers set out to put up a barricade at Jamgarah but the police foiled their attempt. In retaliation, the workers threw brick chips at law enforcers, which they responded with rubber bullets and tear gas, said Mostafizur Rahman, director of Ashulia industrial police. The clash arose after news

of deaths of two garment workers in Gazipur during a similar confrontation with police on Monday.

Police detained Ziaul Kabir Khokan, president of Bangladesh Garment Workers' Trade Union, on Monday night on charges of instigating the workers to unrest, said Kamrunnahar, a sub-inspector of Joydevpur Police Station.

ILO calls for far-reaching measures for garment sector

"In response to a surge in the demand for readymade garments from foreign companies, suppliers in Bangladesh have established factories and manufacturing sites without following building and safety codes, and the government of Bangladesh has not provided adequate regulatory oversight and enforcement,"

the report said. "Although the government has taken some concrete action in the past six months to address health and safety issues, poor conditions remain a challenge in many factories across the country, especially

those in the garment sector." Bangladesh experienced relatively high economic growth over the past two decades, mainly due to garment exports, which have become the main pillar of the economy.

The country accounted for 4.8 percent of global apparel exports in 2011, compared with only 0.6 percent in 1990. Over the same period, total exports as a share of GDP increased from around 5 percent in 1990 to over 23 percent in

2011, according to ILO. "But unregulated industry growth has contributed to poor working conditions in that sector, which have acted as an obstacle to sustainable development and, moreover, resulted in some of the worst industrial

disasters on record." The report pointed out garment workers earn some of the lowest wages in the region.

The monthly minimum wage for entrylevel workers in the garment sector was \$39 per month—about half of the lowest rate in other major garment-exporting countries, such as Cambodia (\$80), India (\$71), Pakistan (\$79), Sri Lanka (\$73) and Vietnam (\$78).

Bangladesh decided to hike minimum worker salary by 77 percent to Tk 5,300 to be effective from December 1.

The report said improving employment prospects and working conditions-notably in the RMG sector-will help to safeguard exports, which have been a key driver of growth and employment creation, especially for women.

PM inaugurates Paira seaport

FROM PAGE B1

According to the study, over Tk 15,000 crore would be spent on the construction of the complete infrastructure in 10 years.

Hasina hoped the first-ever newly-built

port in the country after independence would

open up a new dimension in the importexport and goods transportation activities. She hoped various establishments, including industrial organisations, LNG terminal, coal yard and shipbuilding

over the Paira seaport. Hasina said her government has already enacted the Paira Port Authority Act and formed an authority to start the full-fledged operation of the port.

industry, would be developed in the region

The premier expressed her hope that it would be possible to upgrade the activities of the new port to a desired standard soon with the coordinated efforts of all concerned. After assuming office this time, Hasina

said her government has undertaken an integrated plan to commission ships, aircraft and submarines to modernise the Navy for which establishment of a state-of-the-art Naval base has become indispensable. "That plan has turned into a reality

through establishment of Sher-e-Bangla Naval base in the country's southern region." The premier noted that the development

plan for the Navy has been formulated in the light of the Forces Goal 2030 under which there will be expansion of naval commands in phases, upgradation of ranks, increase in manpower and establishment of a naval base, replacing old ships and commissioning new ships.

She also said that her government is firm to build a strong maritime sector with coordination of different port authorities, Bangladesh Navy, Bangladesh Coast Guard and public-private marine trade. Once full construction of the Paira port is

completed, it will help fisheries processing

and facilitate exportation, facilitate agri

produces, create more scope for setting up mills and factories and thus creating employment opportunities for the local people. The port will also improve the standard of living through extension of utility services, ensure environment-friendly afforestation, land development, embank-

international businesses. Shipping Minister Shajahan Khan, Chief of Naval Staff Vice Admiral M Farid Habib, Chairman of Paira Port Authority Rear Admiral Nizam Uddin Ahmed, Shipping Secretary Syed Manzurul Islam also spoke

ment, river training as well as easing

schemes without TIN FROM PAGE B1

between 10 percent and 11.5 percent.