

Hili port's earnings slip on shutdowns, blockades

OUR CORRESPONDENT, Dinaipur

Hili Land Port failed to achieve its revenue target for November and authorities fear that it may also miss the target for December due to the ongoing political troubles.

According to officials at the country's second largest land port in Hakimpur upazila of Dinaipur, the target for November was Tk 18.6 crore, while it earned Tk 17.5 crore. The target for December is Tk 18.6 crore.

Mazedul Haque, assistant commissioner of Hili Customs, the entry of imports from India has slowed as traders are facing difficulties transporting cargo.

On average, 120 to 150 commercial trucks enter Bangladesh from India a day, but the number dropped to half because of the continuous

shutdowns and blockades, an official said.

Abdur Rahman Liton, general secretary of Hili Port C&F Agent Association, said the political stalemate has affected trade at the port as they face problems transporting the imported goods across the country.

Traders are cramming the imported goods into warehouses, which are already overloaded. Nazmul Alam Chowdhury, an importer, said there are large stocks of wheat, onions and fruits at the port already.

"We are offering twice, sometimes thrice, the normal fare, but the truck owners are refusing to transport the import goods as they fear attacks."

The political impasse has affected the earnings of around 8,000 workers that are involved in loading and unloading goods in the port area.

New blow to Thai tourism industry

AFP, Bangkok

From backpacker districts to high-end hotels, more than a month of opposition protests in the Thai capital are taking their toll on the kingdom's tourism sector, with hundreds of thousands of travellers staying away.

Dozens of countries have issued travel warnings related to the mass street demonstrations against Prime Minister Yingluck Shinawatra, mostly advising people to exercise caution near the main rally sites.

The political situation reduced the influx of inbound tourists in the month to mid-December by an estimated 300,000 people -- eight percent -- compared with the number expected, Yutthachai Soonthronrattanavate, president of the Association of Domestic Travel, told AFP.

"Entrepreneurs are concerned that the protests might not end before January or February," he said.

The protests -- aimed at toppling Yingluck and curbing the influence of her older brother, ousted premier Thaksin Shinawatra -- have left five dead and more than 200 wounded in street violence, although tensions have abated in recent days.

The political conflict broadly pits a

Bangkok-based middle class and a royalist elite backed by the military against rural and working-class voters loyal to Thaksin, who was ousted in a military coup in 2006 and lives in self-exile.

Risk-averse Asian holidaymakers are among those choosing to stay away due to the unrest.

The local business association for the Khao San Road backpacker district said in early December that more than 50 percent of bookings for November and December had been cancelled as low-end tourists abandoned their Thailand trip or went elsewhere in the country.

High-end hotel chains, including the Mandarin Oriental and the Accor group, said they had experienced cancellations. Yet many travellers, particularly those from Europe and North America, are unfazed by -- or unaware of -- the crisis.

"I didn't know about it. Friends at home saw the news and warned me. When I arrived there were riots going on. I was quite naive," said Alex Young, 23, as she ordered a cocktail at a bar on Khao San Road, while protesters gathered at the nearby Democracy Monument.

Her travelling companion, Hannah Steenson, 24, hails from Northern Ireland and was unruffled.

"We're used to bomb scares there," she said, but added that Khao San Road was quieter than when she visited last year.

Local businesses said they had noticed the impact of the protests -- with many expressing frustration at the effects of the protracted political crisis.

"Last year, every weekend was party day. Now even Friday and Saturday are quiet. Every business is the same -- no customers," Noom Manachai, manager of the Hippie De Bar restaurant on Khao San Road, told AFP.

Many of the key rally sites are just minutes from major tourist attractions in the city's historic district.

Outside parliament on Tuesday, a confused Polish tourist told AFP he was "surprised but not afraid" to find himself in the middle of a protest.

"Asia is very safe if you compare with places like South America, or even Poland... I was not aware at all that this was going on, but it doesn't bother me," he said, declining to give his name.

Asia-wide, tourist industry recoveries from high-profile shocks -- such as SARS outbreaks, the Japanese tsunami and the Philippine typhoon -- are speeding up, experts say.

"While events can quickly displace

business, the bounce back time is shortening," said Bill Barnett, managing director of tourism consultancy firm C9 Hotelworks.

"What's hard for Thailand at present is the shroud of uncertainty that hangs over Brand Bangkok."

Not only are Asian travellers less "risk resistant" than, for example, North Americans, hotels are struggling as lucrative corporate business is extremely sensitive to negative events, he said.

"Once the travel warnings roll out these are the first in line to cancel," said Barnett.

It is the latest in a series of setbacks to the kingdom's tourist-friendly image as the "Land of Smiles" in recent years, which have also included devastating floods, deadly bus and boat accidents, and growing concerns about crimes against foreigners.

But Thailand is "incredibly resilient" and likely to recover, said Amanda Hyndman, general manager of the Mandarin Oriental hotel in Bangkok.

The kingdom attracted a record 22 million tourists last year.

Its popularity has endured several episodes of civil strife, including in late 2008 when hordes of frustrated travellers were stranded after protesters staged a nine-day blockade of



MICROSOFT

Mohammed Abdul Quader, deputy managing director of DBL Group, and Pubudu Basnayake, country manager of Microsoft Bangladesh, shake hands after signing a deal at a programme on Thursday. Tech One Global Pvt Ltd, the licensing solutions provider of Microsoft in Bangladesh will set up different Microsoft tutorials and technology services along with the required software for DBL.



FSIBL

Azam Khan, head of marketing and development of First Security Islami Bank, and Mohammad Fahed Hossen, area manager of Leatehrex Footwear Industries Ltd, exchange documents of an deal for the bank's employees and debit cardholders to enjoy various privileges at all outlet of Leatherex on Thursday.

Japan, Southeast Asia agree to boost economic ties

AFP, Tokyo

Japan and Southeast Asian countries Sunday pledged to boost economic and security ties, a day after they agreed on the importance of ensuring freedom of the skies after China declared a controversial air defence zone.

The leaders were discussing increasing exchanges of top diplomats and defence officials and closer coastguard cooperation, finalising a three-day special summit between Japan and the Association of Southeast Asian Nations (ASEAN), officials said.

Tokyo Saturday pledged \$20 billion in aid and loans to Southeast Asia at the summit with leaders of the ASEAN regional bloc, the latest step in its bid to woo global public opinion in its territorial dispute with China.

In bilateral talks Sunday, Japan and Myanmar also agreed on an investment accord to accelerate Japanese investment in the former junta-ruled country, while Tokyo and Laos agreed to kick-start talks on a civil aviation agreement, officials said.

The talks came a day after Japan and ASEAN agreed on the importance of the "freedom of overflight and civil aviation safety", seen as a mild regional rebuke to China for its unilateral declaration last

month of an Air Defence Identification Zone (ADIZ).

China denounced as "slandorous" remarks by Japanese Prime Minister Shinzo Abe at the summit calling for Beijing to rescind its air zone, which was widely criticised as increasing regional tensions.

Beijing has said all aircraft entering the zone have to submit flight plans and obey orders issued by Chinese authorities.

Some analysts fear the ADIZ in the East China Sea is a forerunner to a similar zone in the South China Sea, which Beijing claims almost in its entirety.

China has sovereignty disputes with four members of ASEAN -- the Philippines, Vietnam, Malaysia and Brunei -- and has been repeatedly accused of intimidation and coercion.

"We will continue to provide support, both at the public and private level, for infrastructure building initiatives and work toward Myanmar's development," Abe said after meeting with Myanmar's President Thein Sein.

In addition to Tokyo's development aid in loans, the investment accord signed Sunday would likely boost Japanese investment in the quickly developing former pariah state, a trade ministry spokesman said.

France to help fund new metro in Brazil's business hub

AFP, SAO PAULO, Brazil

France will help fund a new metro line in Brazil's commercial hub Sao Paulo, in one of two major accords signed Friday during President Francois Hollande's trip to promote trade.

Sao Paulo state, the wealthiest in this Latin American powerhouse, will also make what Hollande called a "major" investment near Paris in a project that aims to create 2,500 French jobs.

"I think the metro must be built quickly," Hollande quipped Thursday as he got a taste of the horrendous Sao Paolo traffic, when he flew in from Brasilia for an encounter with the local French community.

Hollande met with Sao Paulo state governor Geraldo Alckmin to sign the deal for a \$410 million investment by France's development agency to build a metro between the airport and the city center.

The second agreement concerned what the French leader described as "a major Brazilian investment" of some \$890 million from Sao Paulo to build a world trade center near Paris' airport.

Hollande then joined his Brazilian counterpart Dilma Rousseff at a forum attended by business leaders from both

countries.

"I want to see more French investments in Brazil," Hollande told the forum. "I also want Brazilian investments in France."

Expressing full confidence in Brazil's potential, he renewed his call for doubling two-way trade, currently valued at around \$9 billion, by 2020 based on technology transfer.

He also suggested regular bilateral consultations to further that aim.

"To double our trade by 2020, a target set by our two heads of state, infrastructure contracts, the strategic axes of our partnership, are important; energy, space, defense, high technology," France's minister for foreign trade Nicole Bricq told AFP.

She stressed the role French medium-sized companies must play in responding to the aspirations of Brazil's new middle class for a "better quality of life", particularly in health and sustainable urban life.

France is the fifth biggest investor in Brazil, with 600 French firms operating in the world's seventh largest economy.

Insisting Brazil's economy is fundamentally strong despite its anemic GDP growth, 2.5 percent expected this year, Rousseff also lobbied for French investment in this emerging power of 200 million people.

Riot forces Singapore to take fresh look at foreign workers

AFP, Singapore

A riot by South Asian labourers has forced Singapore to take a fresh look at how it deals with the presence of nearly a million low-paid foreign workers in the wealthy city-state.

An estimated 400 workers went on the rampage on December 8 in a district known as Little India, injuring 39 people, including police officers, and destroying 25 vehicles.

The riot -- the first in more than 40 years in the country -- erupted after an Indian man was killed by a bus in an area where tens of thousands of workers converge at weekends.

Singaporean Prime Minister Lee Hsien Loong has ordered an investigation into the cause of the violence as well as a review of measures to manage areas where foreign workers congregate.

Police have questioned nearly 4,000 workers and filed charges against at least 33 Indian nationals over the riot.

"We need the foreign workers," Lee said Thursday, referring to criticism from some Singaporeans who see them as a problem.

"If we didn't have them, we would not be able to achieve our housing plans, or our public transport plans, and Singaporeans would be severely affected."

Singapore has a total population of 5.4 million, but only 3.84 million are citizens and permanent residents. Out of the foreign population of 1.55 million, about 700,000 are work-permit holders employed in construction and other sectors shunned by Singaporeans, with more than 200,000 others working as domestics.

Latest available official data showed that resident foreigners and foreign companies contributed a total of 44 percent to Singapore's gross domestic product (GDP) of Sg\$334.1 billion (\$266 billion) in 2011. Its GDP stood at Sg\$345.6 billion in 2012.

Eugene Tan, an associate law

professor at the Singapore Management University, said it was "now a bigger challenge to maintain the large foreign workforce".

Tan, a social commentator who is also an appointed member of parliament, said: "There will be public expectation to reduce further the number of foreign workers."

The long-ruling People's Action Party (PAP) has already faced intense public pressure over a foreign worker influx in recent years.

Immigration a 'major election issue' In the May 2011 general election, the PAP suffered its worst-ever performance after the large foreign presence became a hot issue.

Authorities have since been phasing in various measures to cap foreign worker inflows.

"Quite certainly, the next general election will see immigration being a major election issue," Tan said.

Officials have so far characterised the riot, Singapore's first since

racial disturbances in 1969, as an isolated incident involving a drunken crowd in Little India.

Police have temporarily banned alcohol sales and consumption in the riot zone.

Shelley Thio, an activist with aid group Transient Workers Count Too (TWC2), said the suggestion that alcohol was the main cause of the violence was a "knee-jerk reaction".

"You have expatriates of various ethnicities inebriated at the pubs and bars in town on weekend nights, but you don't see them rioting on the streets," she told AFP.

"The answer to the riot shouldn't be one that involves more oppressive or draconian measures that further hurts the dignity of migrant workers, but rather a thorough investigation of the deep, underlying factors," she said.

According to TWC2, migrant workers in Singapore face a multitude of problems, including mistreatment by employers and poor living conditions.

The Little India riot occurred a year after a work stoppage by Chinese bus drivers demanding higher pay from a state-linked transport company, the first industrial strike in the island since 1986.

Bedbug-infested dormitories were among their gripes.

Most worker dormitories are located away from main residential areas, sharpening the workers' separation from mainstream society.

The median pay of a construction worker is Sg\$900 a month, according to official data, but many of them are heavily in debt to recruiters back home and their Singaporean partners.

Singapore has a per capita income of Sg\$65,048, making it one of the richest societies in the world.

Despite their difficulties, migrant workers who spoke to AFP said they still consider Singapore among the best places to work.

"It is not an easy life working in Singapore but at least we can earn more than in Malaysia or Dubai,"

Foxconn exceeds worker overtime limit

BBC NEWS

A labour watchdog has said that working conditions at factories of Apple supplier Foxconn have improved but excessive overtime remains an issue.

Fair Labour Association (FLA) said some workers at Foxconn factories in China exceeded the country's overtime limits. Foxconn has been trying to improve conditions at its units after worker suicides in 2010 raised concerns over its labour practices. The report said that Foxconn had met most of its improvement goals.

"We are proud of the progress we have made together with the FLA and Foxconn," Apple said in a statement.

Apple added that it was working with Foxconn to lower overtime at its factories.

"We will continue to provide transparency by reporting working-hours compliance each month on our website and we are committed to reducing overtime even further," it said.

In a separate development, Apple said the death of a worker at a factory of another supplier, Pegatron, was not linked to working conditions.

BB lowers cost of funds for exporters

FROM PAGE B1

Businesses have been going through a very tough time with shutdowns and blockades since the beginning of the year. Garment exporters, who accounted for more than 75 percent of the country's total exports at \$27 billion in fiscal 2012-13, faced additional difficulties with pressures from buyers to maintain safe working conditions after some factory accidents.

Due to the ongoing political deadlock, manufacturers and exporters are facing challenges to maintain competitiveness in overseas trade.

In a meeting last week, the BGMEA requested chief executive officers of commercial banks to provide some facilities, including slashing lending rates, blocking interest for two years and relaxing loan classification and rescheduling rules.

In response to the plea, the BB will now charge LIBOR plus 0.5 percent, instead of existing 1 percent, to commercial banks, which will charge borrowers LIBOR plus 1.5 percent, instead of 2.5 percent.

Kazi Akram Uddin Ahmed, president of the Federation of Bangladesh Chambers of Commerce and Industry, welcomed the move of the central bank.

But he said, if the BB relaxes loan rules or reduces interest rates, it will affect the banking sector, especially the private banks. "So, we want the government to slash corporate tax by 2.5 percentage points to 40 percent," he added.

On the other demands from the business community, Chowdhury of the BB said many of their issues depend on bank-client relationship.

"It's not possible for the BB to relax loan classification and rescheduling rules. It may be considered on a case-to-case basis," he added.

The central bank formed EDF in 1989 with \$31.2 million to provide foreign exchange to help meet the import requirements of non-traditional manufactured items. Then this facility was available to the non-traditional exporters, particularly new and diversified exporters. Over the years, the facility has been extended to apparel and other exporters. The BB has enhanced the fund in different phases and the present balance of EDF stands at \$1 billion.

A single party can get maximum \$12 million loan under the EDF. The loans are payable by the banks upon receipt of exports proceeds within 180 days from the date of disbursement, extendable by the BB up to 270 days in case of a longer period for repatriation of export proceeds.

BB seeks more security for banks

FROM PAGE B1

Violence has intensified across the country, as the BNP and its allies has been calling shutdown and blockade over the past two months, demanding the next national polls to be held under a non-party caretaker government.

Several incidents of violence and arson attacks have been reported, the central bank said in a statement.

Due to the current unrest, many inadvertent attacks like violence and arson have recently taken place where banks are situated, according to the statement.

"Such incidents are very risky for the banks. These are hampering the banks to serve the customers and businessmen as well as panicking the bank employees and officials."