

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	JPY
0.43%	0.41%	\$1,341.45	\$101.64	1.37%	0.34%	0.74%	0.42%	77.10	103.05	130.39	0.75
4,344.36	8,293.09	(per ounce)	(per barrel)	25,024.35	15,164.04	3,293.73	2,046.96	BUY TK	107.09	134.42	0.79

# Star BUSINESS

DHAKA MONDAY JULY 14, 2014, e-mail:business@thedailystar.net

পবিত্র রমজান মাসে সোশ্যাল ইসলামী ব্যাংক লিমিটেড এর যে কোন শাখা হতে





এসময় মনি মানিগ্রাম ইউএই এক্সচেঞ্জ

এর মাধ্যমে রেমিটপের টাকা গ্রহন করলেই লটারির মাধ্যমে জিতে নিন

**আকর্ষণীয় পুরস্কার**

\* শর্ত প্রযোজ্য

 Social Islami Bank Limited

## Bay dispute settlement widens fishing net

SOHEL PARVEZ

Deep-sea fishermen can now trawl up to 200 nautical miles into the Bay of Bengal after an international arbitral tribunal last week awarded the majority of the disputed 25,602 sq km territory with India to Bangladesh.

Until now, fishermen ventured up to 100 nautical miles from the coast, and even then there was always the danger of falling afoul with India due to the long-running territorial dispute with the neighbouring country.

The verdict, which gave Bangladesh 19,467 sq km of the disputed 25,602 sq km, means the country now has a full stake on 200 nautical miles of the Bay.

"It is a great achievement -- undoubtedly, our fishing opportunity in the sea has increased. Above all, we can now catch fish in our area of the Bay of Bengal peacefully," Nasiruddin Md Humayun, director of marine under the Department of Fisheries, said.

A major portion of the disputed space is located west of the Swatch of

### RECOMMENDATIONS

Govt must survey the fish stock in the Bay of Bengal

Industry requires upgraded fishing technology

No-Ground, which is a major marine fishing zone for the country. The area which went to the country's favour is high in pelagic fish, which are species of fish that live neither close to the bottom nor near the shore.

However, some analysts say the gain in maritime area might not be of much benefit to the country after all.

Ahsan Iqbal Chowdhury, secretary general of the Bangladesh Marine Fisheries Association (BMFA), said the current technologies need upgrading if fishermen want to venture that far out into sea.

"The caveat here is that we do not have any estimate on how much fish there are, so we do not know if the

investment would be worth it or not," he said, while urging the government to conduct a stock assessment survey, last conducted over two and a half decades ago.

The government is in the process of procuring a research vessel to conduct survey in the sea, according to Humayun. The research vessel is due at the end of the year or early next year.

Mohammed Shahjalal, former secretary general of BMFA, also said the total catch might not increase, as there might not be that many commercially viable species of fish in the deep waters.

There might be some rock lobster and tuna fish, which remain available for just 2-3 months of the year, he said, adding that the potential of deep-water fishing would be clear after a survey of the stock.

Marine fishing in fiscal 2012-13 stood at 588,988 tonnes, up 1.79 percent year-on-year. Catches from trawler stood at 73,386 tonnes during the period, up 0.49 percent year-on-year.

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## Leather sector sees record exports

SUMAN SAHA

The leather industry has set records for exports that soared 32.12 percent year-on-year to \$1.29 billion in the immediate past fiscal year, according to Export Promotion Bureau.

Competitive prices and improved quality of Bangladeshi products that rope in more and more European and Japanese consumers and rising costs in China have led to the growth, exporters said.

Also, the earnings in fiscal 2013-14 were 6.59 percent higher than the target set at \$1.21 billion for the sector.

Exports of leather goods rose 48.55 percent to \$240.09 million during the period, while those of leather 26.47 percent to \$505.54 million, and footwear 31.19 percent to \$550.11 million, according to EPB data.

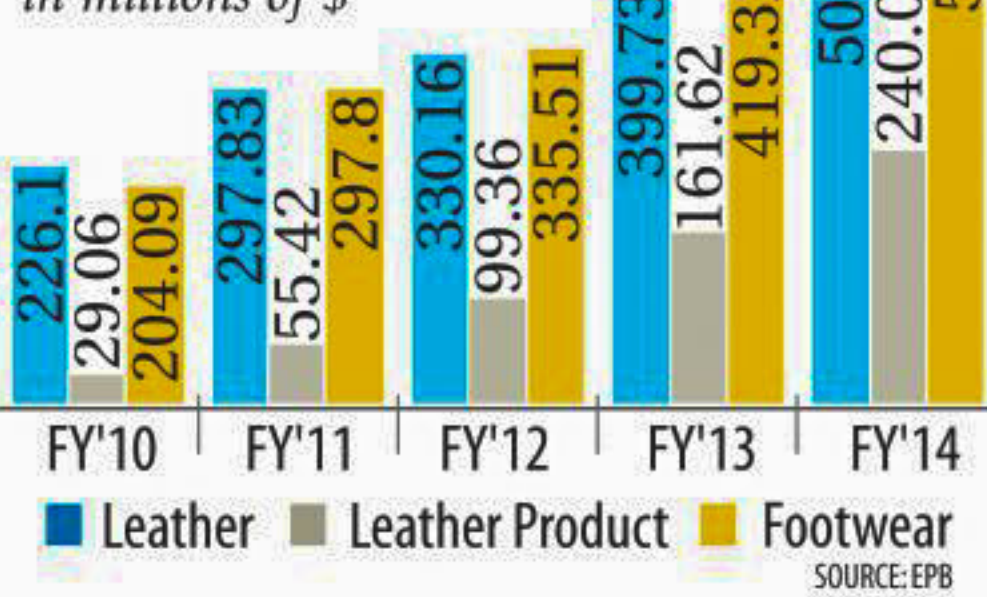
The leather industry earned \$980.67 million in exports in fiscal 2012-13.

Exports would have been higher had there been no political unrest in the country, said Tipu Sultan, managing director of Bengal Leather Complex Ltd and Bengal Shoe Ltd that saw combined exports of around Tk 280 crore (around \$36.1 million) last fiscal year.

"Many buyers are coming to Bangladesh as we offer quality products at competitive prices," said M Abu Taher, chairman of Bangladesh Finished Leather, Leathergoods and Footwear Exporters' Association.

### LEATHER INDUSTRY EXPORTS

in millions of \$



An increased number of buyers are diverting orders from China, where production costs have gone up significantly, he added.

Improved quality has helped in winning the confidence of buyers, said Aniruddah Kumar Roy, managing director of Footbed Footwear Ltd that exported products worth around Tk 200 crore (around \$25.8 million) in fiscal 2013-14.

"We can now make quality products as skills of our labour force have improved much," he said, adding that the garment sector has contributed to skills development in the leather industry.

Giving an example, Roy said footwear and leather goods require stitching and packaging, and for these jobs, skilled workers are available in the garment sector.

"We can hire workers from the garment sector," Roy said.

China produces footwear of around \$90 billion and leather goods of \$39 billion a year, which account for 65 percent and 35 percent of the global demand respectively, according to Roy.

But the Asian economic giant is also facing a number of challenges such as anti-dumping tax imposed by the European Union and strengthening of renminbi by 20 percent against the dollar.

READ MORE ON B3

## Garment exports to US fall 1.12pc

REFAYET ULLAH MIRDHA

Apparel exports to the US fell 1.12 percent to \$2.18 billion in the first five months of 2014 from the same period last year, according to the US Department of Commerce.

Garment exporters attributed the sluggish trend to fallout from the Rana Plaza building collapse and political turmoil that struck Bangladesh last year.

Some retailers may shift focus from Bangladesh to other destinations, said Atiqul Islam, president of Bangladesh Garment Manufacturers and Exporters Association.

Bangladesh's exports to the US may rebound by December when international and domestic factory inspectors will complete their inspections, he said.

"So far, the outcomes of the inspections show that the factories are not so much vulnerable as it was thought earlier. So buyers' confidence is rebuilding now."

US chain-store sales posted a strong gain of 5.9 percent year-on-year for the month of June, according to a report by the New York-based research firm International Council of Shopping Centres (ICSC).

"Overall retail sales performance was healthy and strong in June, following a sluggish winter, with consumers shopping for staple items, and modest spending on non-essential items like apparel," said Michael Niemira, research consultant for ICSC.

Bangladesh was the sixth largest sourcing country for the US, while China remained on the top of the list by exporting \$14.48 billion of textiles and apparel.

## Correction

In the chart published with a news item headlined "private banks raise capital base to meet global standards", the capital adequacy ratio (CAR) of Southeast Bank Ltd was mistakenly shown as 10.39 percent as of March 31, 2014 in place of 10.96 percent. We regret the

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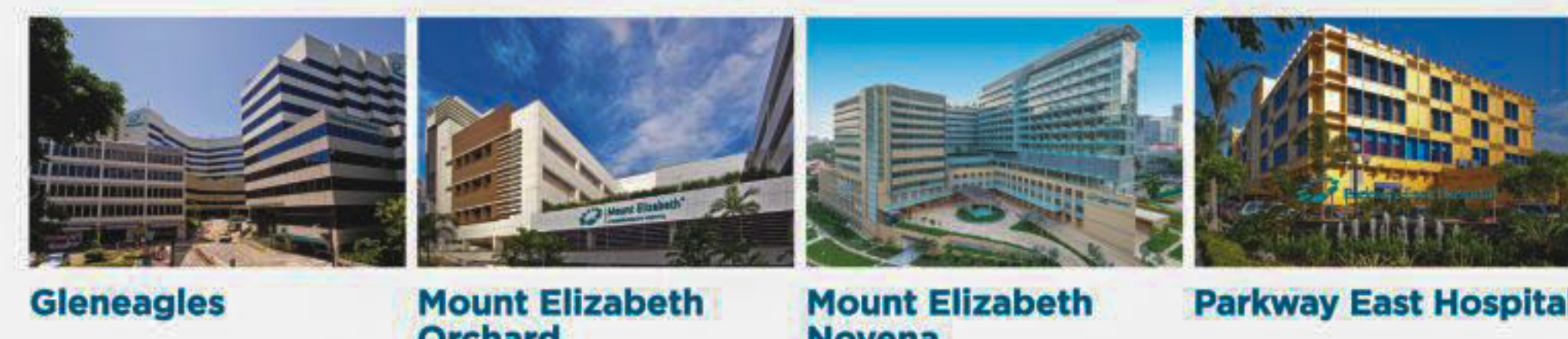
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