

UN food body sees rice price rise this year

REUTERS, Rome

International rice prices could rise in 2003, buoyed by firm demand and falling stocks, the United Nations world food body has said.

"Sustained intervention by government procurement agencies in Thailand should dampen price falls associated with the arrival of new rice supplies onto the market in the coming months," the Rome-based UN Food and Agriculture Organisation (FAO) said in its latest Rice Market Monitor (RMM) report.

"Higher prices for export rice in India as of January 2003 should also translate into higher quotations from the country next year (2003)," FAO added in the report dated December 2002 and later posted on its web site www.fao.org.

"A general tightening of the global supply and demand situation could therefore be felt, which could trigger a marked increase in international prices as of the second quarter of 2003," said the report.

FAO lowered its estimate of global paddy output in 2002 by over four million tonnes since the previous RMM in October to 584 million tonnes. At this level, production would be about 13 million tonnes, or two per cent, down from the previous season.

The UN food body estimated global rice trade in 2002 at 27 million tonnes, around 12 per cent above a revised estimate for 2001.

FAO forecast world rice stocks at the close of the marketing seasons in 2003 at nearly 126 million tonnes, some five million tonnes lower than the last RMM, with inventories down from their revised opening level by over 15 per cent.

"Almost all of this season's contraction is likely to be concentrated in rice exporting countries, notably India and China," the UN food body said.

Dhaka Int'l leather fair begins Monday

STAR BUSINESS REPORT

A three-day international leather fair begins at Sonargaon Hotel in the city on Monday.

The Dhaka International Leather Fair, Fashion and Dance Show-2003 is being organised by Bangladesh Finished Leather, Leather Goods and Footwear Exporters Association.

Speaking at a press conference, Md Hedayetullah, director of Apex Tannery Group, said the fair is likely

to project the latest developments in the leather sector of Bangladesh. Bangladeshi leather is in great demand in the world market.

M Shawkat Hossain, managing director of Prisma Digital Ltd, was also present at the press conference.

Mishal Karim, CEO of JetsetPR, has been appointed the official event manager of the show. Ten Indian super models are being flown in for the spectacular fashion show. Bangladesh's Shaon (Miss

Bangladesh 2002) and Tupa along with four top male models are also participating in this spectacular event.

Navi, a Michael Jackson look-alike, will be performing live at this event.

The exhibition is sponsored by ALPA (Aziende Lavorazione Prodotti Ausiliari) Italy, Prisma Digital Ltd, Dhaka and Myanmar Airways Int, Dhaka.



PHOTO: STAR

Mystic Pharmaceutical Limited started commercial production of medicine at its factory at Bhagdi in Narsingdi recently. The factory has been built in collaboration with some foreign organisations. Managing Director of the company Shaifiqul Islam inaugurated the operation. Khaleeda Chowdhury, chairperson, Hamidul Huq Khan, vice-president of Mercantile Bank, and experts from home and abroad were present on the occasion.

Chinese, Thai leaders vow speedy free trade talks

AFP, Bangkok

Thai Prime Minister Thaksin Shinawatra and visiting Chinese Vice Premier Li Lanqing vowed Friday to speed up the creation of a bilateral free trade area (FTA) between their two countries.

"Both sides have to be ready," Thaksin told reporters after talks with Li.

"Thailand expects China to be the first country with which it concludes a free trade agreement."

The Chinese official also vowed to press ahead with the bilateral trade pact.

"Li Lanqing promised that China will particularly speed up study to establish a free trade area with Thailand that is separate from China's commitment to a free trade area with the Association of Southeast Asian Nations (ASEAN)," government spokeswoman Sansanee Nakpong said.

The 10-nation ASEAN bloc and Beijing have agreed to complete their FTA -- which would be the world's largest -- by 2010.

Cisco sues Chinese firm for patent infringement

AFP, San Francisco

US high-tech giant Cisco Systems said Thursday it sued China's Huawei Technologies, alleging the firm "unlawfully copied and misappropriated" Cisco's software for directing Internet traffic.

The suit filed in federal court in Texas also names the firm's subsidiaries, Huawei America and FutureWei Technologies, in the complaint over Cisco's IOS software.

"Cisco's technological leadership is the result of significant investment in research and development, and it is Cisco's responsibility to protect its intellectual property," said Cisco general counsel Mark Chandler.

"Cisco does not take any legal action lightly. However, Huawei has unlawfully copied Cisco's intellectual property and refused Cisco's numerous attempts to resolve these issues. As a result, Cisco has no choice but to protect its technology and the interests of its shareholders through legal action."

Six SB, BKB branches facing axe in CHT

OUR CORRESPONDENT, Rangamati

Six loss-making branches of Sonali Bank and Bangladesh Krishi Bank (BKB) are facing axe in Chittagong hill tracts.

The branches are running with acute shortage of clients, making approximately annual loss of Tk five lakh each, according to official sources.

The Sonali Bank branches likely to be shut down include Jurachhari, Bilaichhari and Borkol in Rangamati district and Lakshmichhari in Khagrachhari district. The BKB branches are bank Borkol and Jurachhari in Rangamati, according to officials.

In November last year, higher authorities conveyed the decision to the regional principal offices of the banks that the branches would be

closed down unless they made profit.

The branch of BKB at Kaptai is also failing to run satisfactory. Mujibur Rahman, BKB assistant general manager (AGM) in Rangamati, said.

The branches of the banks were opened in the CHT during the Ershad regime.

India 'illegally' restricting imports from Nepal

AFP, Kathmandu

India is "illegally" restricting the import of vegetable ghee (oil) from Nepal, which is hitting the Himalayan kingdom's struggling economy, officials said Thursday.

India is Nepal's main trading partner and ghee has traditionally been one of the major exports to its huge neighbour.

In March last year, under the terms of a renewed bilateral trade and transit treaty, India fixed an annual import quota of 100,000 tonnes of ghee in order to protect domestic producers.

But this month the governmental Indian Food Corporation (IFC) went even further and completely

stopped the import of ghee to seven states, including Orissa, Madhya Pradesh, West Bengal, Sikkim, Uttar Pradesh and the national capital New Delhi.

Nepalese officials said the move contravened the Indo-Nepalese Trade Treaty, renewed last year.

"Under the renewed treaty, India agreed to allow the export of only 100,000 tonnes of vegetable ghee from Nepal on a quota system but now this commitment is also not honoured by the Indian authorities," said Federation of Nepalese Chambers of Commerce and Industry (FNCCI) official Badri Prasad Ojha.

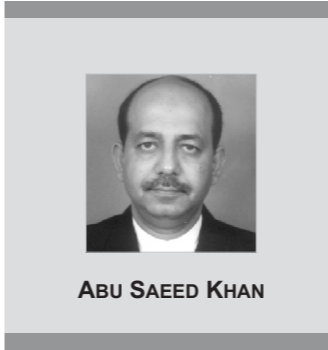
"After the import restriction on Nepalese vegetable ghee to seven

important Indian states, 16 ghee industries in Nepal face an uncertain future and 5,000 people may be made redundant," he added.

He said 95.4 million dollars worth of ghee, or around 300,000 tonnes, was exported to India in 2001-02 -- around 25 per cent of total exports to India -- which was before the restrictions were introduced.

"Due to restrictions in the first quarter of the current fiscal year (which began July 16), Nepal could export only 8.07 million dollars worth of vegetable ghee to India," he said.

Internet telephony or VoIP: The commonsense divide



ABU SAEED KHAN

Confusion is the keyword to characterise the advocacy for using Internet technology for telephonic applications in Bangladesh. The telecom regulator, the ICT task force and the ICT industry have been demanding its proliferation.

But instead of raising the basic issues, they are rather complicating the matter by combining Internet telephony with Voice over Internet Protocol (VoIP). Whereas, the International Telecommunication Union (ITU) is precise about these two variants.

In its Internet Reports 2001, the ITU has defined the Internet telephony. "The transmission of voice over the Internet. In this insert the term is used to refer to voice carried primarily over the public Internet, not over private, managed networks."

On VoIP the ITU says, "The transmission of voice over circuits employing Internet protocol. In this report, VoIP is used to denote a type of IP telephone service where transmission is primarily over private, managed networks."

Therefore, Internet telephony works "primarily over public Internet" and VoIP works "primarily over private, managed networks." Fundamentals of these two "primarily" different technologies are crystal clear.

Internet telephony allows making phone calls from a personal computer (PC), which is connected with Internet. Such calls may terminate at another PC or a telephone. It is freely available with standard quality. Broken voice, echo and frequent disconnection are the common ailments of such freebies.

Appropriate software and hardware have, however, mitigated these problems. The Internet service providers and cyber café operators offer such package in addition to their standard service. Internet telephony is also accessible from

public call outlets.

Conventional overseas telecom infrastructure is not used while making the Internet telephony calls. Such bypass reduces operating cost and the users enjoy that concession. That's why the Internet telephony has been growing as a popular option of calling overseas.

Our telecom regulator should not be busy with reinventing the wheel in the name of setting the quality parameters. Being an ITU member-

64-kilobit per second (kbps) bandwidth of international voice circuit. This 64 kbps international bandwidth is the most expensive route of this entire journey of your international phone call and exactly this is where the VoIP technology fits in.

Instead of exclusively engaging the 64 kbps speech path for one subscriber, the VoIP technology divides that bandwidth and accommodates multiple subscribers. This is how the VoIP technology

calling service using VoIP technology. Any private operator will be equally exempted from so called license to use VoIP or any other transmission technology, as long as it is allowed to operate the international voice gateway.

But technology seldom respects the policy impediments and numerous unlicensed VoIP providers are mushrooming with prepaid international calling services with at least 70 per cent cheaper than BTTB's rate.

Connecting with own satellite-based data transfer gateways, they have converted the BTTB's local phone lines into informal overseas voice circuits. So far they have acquired more than tripled the BTTB's 3,333 international circuits. BTTB has been the pathetic loser in this guerrilla warfare of cross-boarder call trafficking.

Such covert operations are limited within the BTTB's urban network of Dhaka, Chittagong and Sylhet. The mobile telephone users have also joined this insurgency. Quality of this unregulated international voice service is no less than the regulated one.

But such informal services face occasional shutdown due to the government's isolated countermeasures. It deceives the customers, as there is no provision to recover the unused amount of the "illegally" purchased international prepaid calling cards.

This is a compelling evidence of the increasing demand for VoIP. BTTB should immediately start offering the bounty of VoIP and the government must introduce competition in the international voice gateway.

Neither the type nor the provider of technology matters to the consumers. All they want is to exploit the technology as long as it remains affordable. Commonsense is needed to realise this simple issue and our policymakers may not like it. But they should not lack it either, at least officially.

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PASSWORD

Our telecom regulator should not be busy with reinventing the wheel in the name of setting the quality parameters. Being an ITU member-state, we should confidently follow the ITU guidelines on Internet telephony and VoIP.

state, we should confidently follow the ITU guidelines on Internet telephony and VoIP. All the regulator needs to do is browsing the ITU's website (www.itu.int) and downloading the details.

Meanwhile, our ICT policymakers should understand that despite offering discounted phone calls, the VoIP technology functions quite differently than Internet telephony.

Long distance service providers roll out Internet protocol or IP-based network over the international voice circuits (via satellite or submarine cable). It abruptly reduces the international transmission cost as well as the tariff. Here is an example.

You dial 00 to make an overseas phone call from an ISD number. Then you dial the country and city codes followed by the desired telephone number. Your local telephone exchange forwards that overseas bound call to BTTB's telecom service providers, hence BTTB, would apply VoIP technology.

BTTB's ITX sends your call to the recipient country's ITX through a satellite voice circuit. That ITX reads the city code and routes your call accordingly. Local exchange of that city sends the call to your desired number. The other end's telephone starts ringing.

The moment somebody answers the phone, both of you are connected with each other through a

increases the callers' intake, which results the cost reduction of international voice circuit. It is just one advantage of VoIP.

This technology also sharply reduces the capital and operational costs of overseas telecom transmission facilities. Instead of deploying the expensive and proprietary ITX equipment, the operator procures standardised VoIP equipment from the fiercely competitive open market.

Furthermore, unlike the conventional ITX, the deployment of VoIP equipment does not require any bulky and expensive power supply and air conditioning plants. It reduces the workforce as well as the floor space of the international gateway establishment.

Such financial, technical and operational advantages have made VoIP the strategic option for long distance transmission applications. Therefore, only the long distance telecom service providers, hence BTTB, would apply VoIP technology.

According to national telecom policy of 1998, BTTB may enjoy the monopoly of international telephony until 2010. Unless the government allows early competition, BTTB remains the only potential VoIP provider in Bangladesh.

In fact, BTTB does not require any license to launch the cheaper

ACI pharma division sales confce held

The annual sales conference 2003 of Pharmaceutical Division of ACI Limited was held at its centre in the city on Thursday, says a press release.

The Managing Director of the company, M. Anis Ud Dowla, and the National Sales Manager also spoke on the occasion.

In this speech, the managing director reiterated ACI's commitment to improving the quality of life of the people of Bangladesh.

In the conference, certificates and awards were distributed among the sales team for extraordinary achievement.

Rich-poor gap widens in US

AFP, Washington

The 1990s boom helped lift the fortunes of most Americans, but also widened the gap between the wealthiest and the average American, according to a Federal Reserve report.

The report released Wednesday said the median net worth, or wealth of US families rose 10.4 per cent 1998 to 2001 and 40.5 per cent from 1992 to 2001.

The figures show the gap between the top 10 per cent and the bottom 20 per cent grew by 70 per cent in the 1998-2001 period after rising just 9 per cent in the 1992-1998 period.

"Net worth increased for all income groups, but particularly so for the top decile (10 per cent) of the income distribution," the report said.

The average increase in net worth for the top 10 per cent was 34.1 per cent from 1998-2001, and the median increase was 69.3 per cent, the report said.

Over the 1992-2001 period, the average increase for this group in wealth was 90.1 per cent.

The bottom 25 per cent saw a 120 per cent increase in net worth, but that was from a 1998 base of only 500 dollars.

The median net worth of US families in 2001 was 86,100 dollars, while the average -- a figure skewed by extremely wealthy families -- was 395,500.

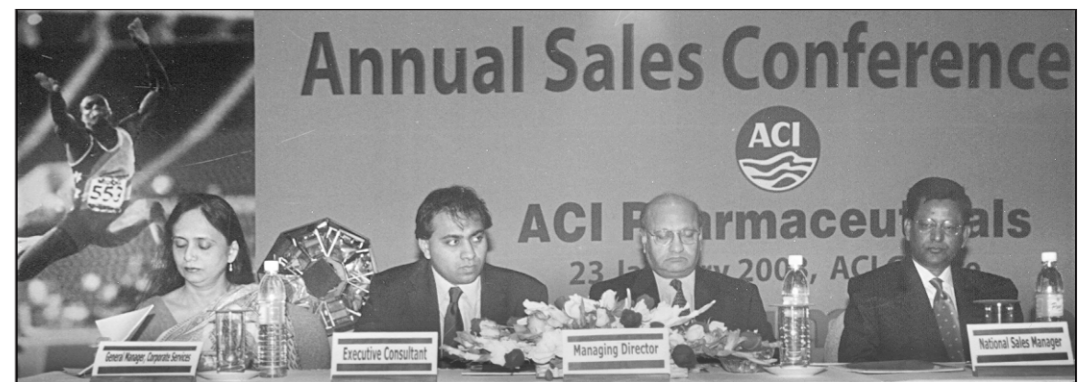


PHOTO: ACI LIMITED

Photo shows M Anis Ud Dowla, managing director of ACI Limited (3rd from left), Arif Dowla, executive consultant (2nd from left), Sheema Huq, general manager, Corporate Services (1st from left), and Md Zillur Rahman, national sales manager of ACI Pharmaceutical Division (4th from left), attending the annual sales conference of the Division held in the city on Thursday.

US may write off \$1b Pak debt

REUTERS, Karachi

The US government is trying to win approval from Congress to write off a third of Pakistan's \$3 billion official debt to the United States in the current financial year (Oct-Sept), US ambassador to Pakistan Nancy Powell said Thursday.

Last February President George Bush promised President Pervez Musharraf that "he would work with Congress to forgive \$1 billion of the

\$3 billion owed by Pakistan to the US Government." Powell told businessmen in the southern port city of Karachi.

"We are working hard to have this substantial debt forgiven included by Congress in the current budget," she said.

The United States and its allies gave financial help to Pakistan in aid and loans after Islamabad announced support for the US-led war against the Afghan Taliban and

Osama bin Laden's al-Qaeda network.

Pakistan also managed to get \$12.5 billion worth of debt rescheduled from the Paris Club of bilateral creditors in December 2001.

Powell said the United States and Pakistan have increased interaction in the fields of economic development, education, counter-terrorism, regional stability and military cooperation.

India dreams of no poor, no illiterate in 2020

AFP, New Delhi

There will be virtually no poverty, nor unemployment in India in 2020 while the population will be 100 per cent literate, the government said Thursday in a "vision paper" for the future.

"India 2020 will be bustling with energy, entrepreneurship and innovation," said the report by the country's top think tank, the Planning Commission.

"The country's 1.3 billion people will be better fed, dressed and housed, taller and healthier, more educated and longer-living than any generation in the country's long history. Illiteracy and all major

contagious diseases will have disappeared."

The Planning Commission's deputy director K.C. Pant, a close adviser to Prime Minister Atal Behari Vajpayee, made clear that the paper did not outline real targets but a vision of where "India wants to be in 2020."

Pant said unemployment and education were the two top areas considered by the panel.

The paper visualized an India with "almost no unemployment and no poor" by 2020. Literacy would be 100 per cent and Gross Domestic Product would rise by eight to nine per cent a year.

Currently, an estimated one-quarter of Indians live below the poverty line and the literacy rate is about 68 per cent for men and 44 per cent for women.

The vision paper said unemployment should be "nil" compared with the present official figure of 7.3 per cent and there would be four to six million new jobs in the IT sector.

Tourist inflow would increase by three to four times.

The paper said per capita income should increase four times even as the population increased from one billion to 1.3 billion -- potentially making India surpass China as the world's most populous country.



PHOTO: REHAB

A nine-member delegation of Real Estate and Housing Association of Bangladesh (REHAB) led by its President Dr Towfiq M Seraj met Finance Minister M Saifur Rahman in the city on Tuesday.