DHAKA WEDNESDAY FEBRUARY 26, 2003



Corporate Access COO in Dhaka

Henry Au Yeung, chief operating officer of Hong Kong-based communications company Corporate Access (CA) is in Dhaka on a three day visit to Bangladesh, says a press release.

During his visit, Yeung will meet top-level office-bearers in telecom and data communications sector in the government and Corporate Access's customers.

He will discuss different issues on how to improve telecom and data communication services in

BDTel is the local partner of CA for satellite based data communication services in Bangladesh.

Corporate Access, previously known as Hutchison Corporate Access, is a top-notch global integrated communications provider for large enterprises.

Mercantile Bank. Hayes & Haier sign loan deal

Mercantile Bank Limited and Hayes & Haier Appliances Co Ltd have signed a Tk 3 crore credit line agree-

M Taheruddin, managing director of Mercantile Bank Limited, and Major (Rtd) T I M Nurun Nabi, chairman of Hayes & Haier Appliances Co Ltd. inked the deal at the head office of the bank in Dhaka recently, says a press release.

Under the accord, Mercantile Bank will extend hire purchase credit facilities on easy terms to the customers of Hayes & Haier for buying their world renowned electrical and electronic goods.

M Nurul Islam, deputy managing director, A K M Shahidul Hague executive vice president, Md Abdul Jalil Chowdhury, senior vice president, alongwith other executives of Mercantile Bank and senior executives from Hayes & Haier Appliances Co were also present at

UCBL holds managers' conference

A managers' conference of Dhaka area branches of United Commercial Bank Limited (UCBL) was held at the bank's head office in Dhaka on Monday, says a press Hamidul Hug, managing director

of the bank called upon the incharge of branches to revamp the operational activities. Md Salahuddin Gazi, deputy

managing director, divisional heads and incharge of Dhaka area branches attended the conference and took part in the deliberations. The conference evaluated the performance of the branches and decided to achieve yearly target set

Shell completes photovoltaic installation at California varsity

Shell Solar, a global producer and marketer of photovoltaic cells, panels and systems, has announced that it has completed installation of 3,000 photovoltaic panels at California State University, Northridge, US, says a

The installation is expected to save the institution US\$ 50,000 a year in electricity costs.

The solar panels can generate 75 watts each, producing a peak energy generating capacity of 225

kilowatts The power will be fed directly into the electricity grid serving the 353-acre campus, which is located in Los Angeles' San Fernando Valley, reducing carbon emissions by an amount equal to that emitted by 36 average passenger cars

driving 20,000 miles per year. Shell Solar is part of Shell Renewables, the business established by the Royal Dutch/Shell Group of Companies to develop commercial opportunities in renewable energy.

Thousands queue up for jobs at Ctg fair

It was a new experience for job seekers in Chittagong when they gathered at the Job Fair 2003 yes-

"It is a great opportunity for us. The fair has given us the chance to interact with the employers directly," said a job seeker at the fair, organised by International Islamic University Chittagong (IIUC).

crowded the Engineers' Institute auditorium, the fair venue, and submitted their applications.

Renowned national and multi national companies like Abul Khaier Group, TK Group, MM Ispahani S Alam Group, Social Investment Bank Limited, IIUC, Islami Bank Bangladesh Limited. First and Fast Limited and Spectra Solutions Limited participated in the

State Minister for Civil Aviation and Tourism Mir Mohammad Nasir Uddin inaugurated the fair. The inaugural function was also attended by AKM Azharul Islam, vice-chancellor of the IIUC, Professor Abu Bakar Rafique, pro-VC of the IIUC, and Bodiul Alim, founder secretary of the IIUC Trust.

The fair also helped the employers to judge the candidates in a culture in job arena," said the conveyor of the fair committee, Mohammad Sazzad Hossain. "We

arranged the fair for creating an

open environment for job seekers."

The fair will also help educational institutions to know the kinds of skills the companies look for while recruiting employees, he said.

NAM Business Forum proposes joint group at WTO talks

BSS, Kuala Lumpur

The two-day high-profile NAM Business Forum has adopted a statement to constitute a joint group at the World Trade Organisation (WTO) to evolve a consensus of NAM nations for the coming WTO ministerial meeting.

Delegates to the Non-Aligned Movement (NAM) Business Forum concluded the first-ever such meeting, urging governments and the private sectors of the 116-member countries to come up with a consensus before the fifth WTO's ministerial meeting in Cancun, Mexico scheduled for September 10-14.

Some 700 delegates adopted the statement aimed at boosting business cooperation among NAM member states and facilitating trade and investment exchanges.

Five recommendations, including the proposed joint group, comprising representatives from the governments and the private sectors of the member states have been included in the statement adopted by the delegates of the twoday NAM Business Forum.

Delegates, who attended the

be forwarded to NAM leaders attending the summit

Former president of the Asean Chambers of Commerce and Industry Dr Jose Conceptcion said the joint group would discuss strategies, focus on common issues and work together towards the same direction The four other recommendations

are to institutionalise the NAM Business Forum as part of the future NAM leaders summit, to consider the creation of a Business Council on South-South cooperation to promote the agenda of multilateral and bilateral business and trade relationships among NAM nations, to urge the governments of NAM member countries to proactively engage their respective business communities as partners in development and to urge the governments and private sector to accelerate the use of electronic commerce to facilitate trade and investment

Problems and possible remedies as well as reminders were raised by ministers from Bangladesh. Malaysia, China, Ghana and Sudan "South countries still grappling

with poverty and economic woes must stamp out political instability and corruption, if they want their business activities to grow and economies to prosper," said Malaysian Prime Minister Dr Mahathir Mohammad while opening the NAM Business Forum on the sidelines of 13th Non-Aligned Movement (NAM) summit.

Bread and butter issue has got focus in the NAM summit as the Business Forum on South-South cooperation kicked off a Malaysian initiative which will be a permanent feature of future NAM summits in an efforts to unlock the potential for business and economic cooperation among member countries.

Bangladesh played an active role in the Business Forum with Commerce Minister Amir Khosru Mahmood Chowdhury stressing adoption of ways to free the people still mired in abject poverty.

Taking part in the two-day conference, Khosru said, "we need to achieve a breakthrough in trade and investment to foster growth and development. We need to enhance

our capacity to compete in the world market during this new era of rising

He said non-trade barriers impede bilateral trade and called for setting up a committee of experts to identify and recommend policies to dismantle such barriers among our nations within a specific period.

"Serious efforts must be taken to reduce tensions and bring the countries together. We can also design policies to foster interdependence among our nations, a kind of complementarity to assemble us into a coherent whole," Khosru said.

Bangladesh business delegation led by Commerce Minister Amir Khosru Mahmud Chowdhury includes President of Metropolitan Chamber of Commerce and Industry (MCCI) Tapan Chowdhury, President of Dhaka Chamber of Commerce and Industry (DCCI) Motiur Rahman and President of International Chamber of Commerce-Bangladesh Mahbubur

Unocal upbeat on gas export

US oil giant Unocal expressed hope Tuesday that Bangladesh would soon agree to sell natural gas, as sources here said a decision could come next month.

Bangladesh has proven recoverable gas reserves of 13 trillion cubic feet -- of which some three million has already been extracted -- but proposals to export energy have long been controversial

"We are hopeful and optimistic that Bangladesh will soon make a workable policy decision to allow the export of some of the country's surplus gas production," said Naser Ahmed, Unocal's manager for external affairs in Dhaka.

"We believe the decision will enable Bangladesh to develop its abundant energy sources and deliver substantial benefits for the nation." he told AFP

Sources in the energy ministry said the controversial issue was likely to be placed before Prime Minister Khaleda Zia's cabinet by the first half of March

"Whatever decision the cabinet takes, it will be placed in parlia-

The main opposition Awami League, led by Zia's arch-rival and predecessor as premier Sheikh Hasina Wajed, says exporting gas would go against the national inter-

est as Bangladesh must first be

assured of a 50-year reserve. The obvious potential market for Bangladesh would be India, which imports about 70 per cent of its petroleum products.

Zia's government has been under pressure from donors and investors since it took power in 2001 to export gas to bring in much-

needed foreign exchange. Bangladesh now has 12 gas fields with 53 flowing wells, includng one owned by Unocal, according

to state-owned Petrobangla. Unocal has offered to invest 500 million dollars in Bangladesh as soon as the government gives a

green light to export natural gas. It has proposed building a 1,363kilometer (847-mile) gas pipeline all the way to India's western state of Gujarat, which it argues would also improve gas access within

Bangladesh.

Credit Operation and Management

Prime Bank Limited

Fribruary 22- February 27, 2003

million to GDTNIP. Prime Bank

course on credit operation begins

BTTB procuring equipment for Chawkbazar

Bangladesh Telegraph and Telephone Board (BTTB) signed a contract of \$ 3,698,055 with

Mitsubishi Corporation Ltd on

Thursday to procure equipment for

the damaged Chawkbazar

Telephone Exchange, says a press

The contract was signed under

he Greater Dhaka

Telecommunications Network

Improvement Project (GDTNIP)

financed under ODA loan from

Japan Bank for International Co-

BTTB Chairman Badrul Huq and

Mitsubishi Corporation General

Manager Masaru Okamoto signed

the deal on behalf of their organisa-

tions. BTTB Director (Procurement)

NS Quereshi, JBIC Dhaka office

representative Tomohiro Hamada

were also present at the signing

Last year, the Bangladesh gov-

ernment and JBIC signed a loan

agreement. Under that agreement

JBIC provided a total of US\$ 118

operation (JBIC).

ceremony.

Exchange

A week-long training course on credit operation and management began on Saturday at the Prime Bank Training Institute for different levels of officers working in Credit Operation of the bank at branch level, says a press release.

The objective of the course is to equip the participants with knowledge in credit scrutiny, sanction, documentation, disbursement procedures, monitoring, follow-up and supervision of credit so as to maintain asset quality to the desired level and also to update the participants' knowledge on different tools and techniques of credit manage-

Shah Md Nurul Alam, managing director of the bank, inaugurated the course as chief guest while Md Motior Rahman SEVP, was the special guest.

In his inaugural speech the managing director stressed the need for continuous process of learning on credit operation and management since the success of a bank mostly dependents on the efficient management of its credit

Md Motior Rahman outlined the credit policy pursued by the bank and advised the participants to get management to be successful in their banking career.

New Pak curbs on money laundering

Shah Md Nurul Alam, managing director of Prime Bank Limited, speaks as

chief guest at the inauguration of a course on Credit Operation and

Management at the bank's training institute in Dhaka on Saturday, Md Motior

Rahman, SEVP, and Md Anwar Hossain, EVP of the bank, were also present.

REUTERS. Islamabad

Pakistan said Monday non-bank financial institutions would be required to use crossed cheques for any transactions exceeding 50,000 rupees (\$862) from July 1 as part of global efforts to combat money-

In a statement, the Securities and Exchange Commission also said that from July, non-banks and Islamic mutual funds known as modarabas would only be allowed to accept deposits from those who opened accounts using special forms to be introduced later.

In December, the securities regulator set up a new unit with assistance from the World Bank to

combat money laundering, part of an international drive to choke off cash destined for terrorist groups.

Global efforts against money

laundering were stepped up after the September 11, 2001 attacks on the United States. Pakistan's efforts have led to a

massive increase in inward remittances through official banking channels, pushing foreign reserves to record levels.

Pakistan become a close ally in the US campaign against terror after the September 11 attacks.

It is currently preparing an anti money-laundering law.

EXIM Bank EC meets

The Board of Directors of Export Import Bank of Bangladesh Limited held its 149th Executive Committee (EC) meeting on Sunday at the bank's head office, says a press release

Md Altaf Hossain, acting chairman of the EC, presided over the meeting.

Among the directors, Mohammad Abdullah, Md Nazrul Islam Swapan, Md Mazakat Harun. Engineer Aminur Rahman Khan, A K M Nurul Fazal. Zubaver Kabir. and Advisor Alamgir Kabir and Managing Director Mohammed Lakiotullah were present at the

Oil price hits new 27-month high on Iraq jitters

AFP,London

The price of oil climbed to a new 27month high in early trading here on Tuesday after Washington and its allies submitted a draft UN resolution pushing for military action to

Icy temperatures gripping parts of the United States were also driving prices higher, traders said.

The price of Brent North Sea crude oil for April delivery rallied to 33.72 dollars a barrel -- the highest since November 2000 -- before easing back slightly to 33.38 dollars, up 23 cents from the previous close.

In New York, the reference light sweet crude April contract shot up 90 cents to 36.48 dollars a barrel on Monday

"Brent is firmer purely on the back of the war threat," said GNI trader Keith Pascall.

Priceo disarm Iraq, despite strong opposition from several

They were expected to lobby undeclared members of the 15member council to quash a chalenge by France, Russia and Germany, which have openly

Global row clouds growth outlook

On Monday Japan chose Toshihiko Fukui as new central bank governor in a decision which seems to be more about continuity than reform, while the weekend G7 meeting ended with a bland statement but open discord on budgetary

dination on what needs to be done. I think the focus is too much on the war and on domestic politics." said Dominique Dwor-Frecaut of Barclays Capital in Singapore.

the same and thee was nothing new from the G7. For those without a G7 voice,

a phased cut in tariff to enable the such as emerging Asia, there are domestic industry to adjust and reap some faint glimmers of hope. Chief among these are the strong suggestions of a European rate cut and market expectations that there will be a quick and decisive resolution to the Iraq issue.

And even in Japan, the appointment of two reform minded central bank deputy governors stirred

optimism that the door to more radical policy has not been slammed shut.

and one of the early confirmations of this is the double appointments of deputy governors, said Naomi Fink, currency strategist at UBS Warburg

Others were more sceptical that policy conservative Fukui's new deputies -- Kazumasa Iwata of the Cabinet Office and former vice finance minister Toshiro Muto -would be able to accelerate aggressive policy to ease the grip of defla-

debates and fewer unanimous votes, maybe more radical alternatives being presented," Deutsche Bank foreign exchange strategist Marshall Gittler said.

Some saw the lack of any coordinated master plan as symptomatic of a growing political rift between America and some European governments on how to disarm Iraq.

Mercant Bank Limited

M Taheruddin, managing director of Mercantile Bank Limited, and Major (Rtd) T I M Nurun Nabi, chairman of Hayes & Haier Appliances Co Ltd, sign a credit line agreement on behalf of their organisations in Dhaka recently. M Nurul Islam, deputy managing director, A K M Shahidul Haque, executive vice-president, Md Abdul Jalil Chowdhury, senior vice-president, and executives of Mercantile Bank and Hayes & Haier Appliances Co were also present.

Indian finance minister faces budgetary challenge Friday

PALLAB BHATTACHARYA, New

As Indian Finance Minister Jaswant Singh presents his maiden budget in Parliament on Friday, he faces the challenge common to any man holding the same portfolio in a developing countrythat of striking a balance between revenue receipts

and revenue expenditure. The task of fiscal consolidation and the challenge of fiscal imbalance have perhaps never acquired so much importance in the backdrop of a fall in revenue-GDP (gross domestic product) ratio by one percentage point in the last ten

Year after year, the revenue target has fallen short of the target and successive governments have struggled to prevent unproductive expenditure crowding out productive expenditure. Singh may find the same story being repeated.

The task has been made more difficult for the Finance Minister as he presents the budget at a time

when the economic growth prediction has been pegged at 4.4 percent, quite lower than expected in the current financial year (2002-3). declining agricultural growth and just-reviving industrial sector. The gap between revenue

raising avenues and expenditure has often drawn concerns on fiscal deficit front. Though some success could be achieved through economic reforms launched and carried forward by the federal governments initiated in early nineties, the financial position of many states deterio-

Fall in tax revenue generation both because of slow-down in economy and incidence of noncompliance has had its effect on government finance.

Singh needs to generate additional funds. But where does he get them? An official panel set up for reforming direct and indirect taxes came out with a report that has already stirred a hornet's nest by recommending abolition of most of tax sops for the salaried class and

agricultural income

But with elections due in five key states, ruled by Sonia Gandhi-led Congress party later this year and fresh parliamentary polls in 2004, Singh is unlikely to tread on risky

Singh is in an unenviable predicament. If he accepts the panel's sweeping proposals in toto. the government's revenue position may be sound but if he does it in bits and pieces, his calculations may go

One of the main sources of government revenue has been customs duty. But reduction in tariff may not always lead to corresponding increase in revenue because it is not necessarily accompanied by rise in volume of imports. It remains to be seen what the Finance Minister does on this front.

There has been a demand to reduce peak customs duty from the average of 30 percent to ten by 2005 but opinion on this among econo mists remains sharply divided. An official committee has sug

percent for raw materials and 20 for inished goods. There is one school of opinion

gested two slab duty structure10

that given India's comfortable foreign exchange reserves of nearly 73 hillion dollars and strengthening of the Indian currency against US dollar in recent months warrants cut in customs duty to facilitate more imports to help achieve a growth rate of seven to eight percent. The other view is that cut in

import tariff over the years has had a deep effect on the government revenue and it has not been compensated by earning from other forms of taxes. In view of this, there have been suggestions from some quarters for

benefits of economy of scale and allow India to negotiate with the WTO for better deal of its products to go with gradual reduction in tariff.

REUTERS, Singapore

As war looms, global economic leaders are putting domestic politics ahead of coordinated action to help the global economy and economists fear that homegrown solutions will fail to solve the problem of slowing

"There is no consensus or coor-

"It is a disaster. Japan is always

"We think the market may have underestimated the (monetary) easing that can ensure under Fukui

n Singapore.

tions on Japan. "We expect more heated

"We still expect more easing eventually, but at the same sort of glacial pace as under (outgoing governor) Hayami.'

opposed the draft US-British resolution presented late Monday.