

Kazi Farms installs new corn dryer

Kazi Farms Limited, one of the largest producers of day-old-chicks in Bangladesh and an Agro-based Industries and Technology Development Project (ATDP) client, installed a corn dryer at its feed mill in Thakurgaon recently.

This is the first corn dryer in the private sector in Bangladesh, says a press release.

ATDP assisted the farm in locating and choosing the appropriate dryer, which is manufactured by the GT Dryer Company in the United States. It can dry maize, a raw material of poultry feed, at a cost of Tk 0.15 to 0.20 per kilogram.

WEAB hails budget

UNB, Dhaka

Women Entrepreneurs Association of Bangladesh (WEAB) has welcomed the proposed budget for 2003-2004 fiscal year saying that some of the measures in the budget are timely and business-friendly.

In a statement, WEAB president Nasreen Awal Mintoo hailed the proposed micro-finance programme for bringing womenfolk into the mainstream of development, plan for setting up hostels for working women and daycare centres for their children and other programmes for women empowerment.

She, however, expressed dissatisfaction over the non-implementation of programmes undertaken for women development and empowerment in the previous budgets and called for implementation of the programmes.

The WEAB demanded of the government to keep 50 per cent of the bank loans in the small and medium scale industries for women entrepreneurs, lower the interest rates for them and exempt VAT for women professionals.

Repo auction

UNB, Dhaka

The repurchase agreement (Repo) auction of Bangladesh Bank for commercial banks and financial institutions was held here yesterday.

Two bids of one-day tenor amounting to total of Tk 18.80 crore were received, and that were not accepted, said a press release of Bangladesh Bank.

EXIM Bank client get-together held

Export Import Bank of Bangladesh Limited (EXIM Bank) arranged a customer get-together in Dhaka on Friday, says a press release.

Md Nazrul Islam Mazumder, chairman of the bank, welcomed the guests expressing gratitude for their patronage and cooperation to the bank.

Alamgir Kabir, advisor, and Mohammed Lakiotullah, managing director of the bank, also spoke at the function.

Abdul Motaleb, chairman of Nitol Motors, Azizul Islam, managing director of Aleeef garments, Ataur Rahman, MP, and chairman of ABG garments, S M Shakil Akhter, chairman of Sidney Fashion Ltd, were the guest speakers.

The function was attended by elites, renowned business people, industrialists, bankers, and customers from all over the country.

Delta Life's Gono-Grameen Bima Division meet held

A meeting of senior officials of Gono-Grameen Bima Division of Delta Life Insurance Co Ltd, was held in Dhaka on Monday, says a press release.

The Chairman of the company Monzurur Rahman addressed the meeting.

Managing Director Das Deba Prasad and Adviser Aziz Ahmed also spoke at the meeting.

The meeting reviewed the progress of premium income, administrative re-engineering and customer services of the division.

Delta Life introduced the micro-insurance programme for achieving the socio-economic securities for the poor and low-income group people in the country.

BTTB cell phone unlikely by June '04

ABU SAEED KHAN

The Bangladesh Telegraph and Telephone Board (BTTB) is unlikely to commence its GSM mobile network in June 2004.

Sharp division within the bid evaluation committee overshadows timely procurement of mobile exchanges, base stations and other equipment for this presumably cheapest mobile service. The controversy may lead to re-tendering of the project. The BTTB initially planned for 250,000 subscribers.

The BTTB invited tender for GSM mobile infrastructure on August 17, 2002. Swedish Ericsson, German Siemens, American Motorola and Canadian Nortel along with four Chinese vendors, Huawei, ZTE, CMEC and China Putian, submitted bids on December 18, 2002.

Bids of Motorola and China Putian were instantly rejected for inadequate documentation. The other six bids were sent to a nine-member committee for technical evaluation.

Five members of this committee disqualified ZTE of China for lack of full disclosure of its own track record and offering substandard equipment. But other three members strongly defended ZTE and disqualified Siemens and Nortel due to alleged technical shortfalls. The convener of the evaluation committee has, however, overruled all these discrepancies and made all the six bidders technically qualified.

Last week the nine-member evaluation committee submitted its self-contradictory technical evaluation report, which is to be finalised by the BTTB's tender committee. The chairman of the BTTB will approve opening of

the financial bids.

Meanwhile, the government has changed Mohammad Anisur Rahman, member (finance) of the BTTB and also a member of the tender committee. He was made an officer on special duty (OSD) yesterday. He is scheduled to go on leave preparatory to retirement (LPR) on September 30, 2003.

Rahman recently blocked an attempt to procure substandard telecom equipment at an exorbitant price. Sources believe he would have rejected the controversial technical evaluation report and ordered re-tendering of the mobile project.

In another development, the consistency of the BTTB's mobile bid document is being questioned. Originally, a technical specification committee finalised the bid document, intending to procure the best possible equip-

ment. But a section of the BTTB's hierarchy compromised on the evaluation criteria, reportedly due to external pressure, which had made it possible for the 'obscure vendors' to take part in it.

This compromise reportedly relaxed the technical evaluation criteria, and now impedes commencement of the BTTB's mobile service. BTTB sources said if the government really wants to launch it by June 2004, the project should be immediately re-tendered with 'consistent' technical and commercial conditions.

The BTTB's Chairman SATM Badrul Haque said that it was too early to comment on re-tendering. "The tender committee will decide on the next step," he told this reporter.

Dollar weakening against taka

REJAUL KARIM BYRON

US dollar has been gradually weakening against taka since Bangladesh Bank adopted floating exchange rate on May 31.

The dollar was selling at Tk 58.43 in the inter-bank foreign money market yesterday. Before introduction of floating exchange rate the rate was near at Tk 58.40 fixed by the central bank.

The rate touched Tk 59 just after launching of the system.

Export and remittance volume is

increasing while the number of LC opening is declining, according to bank officials. For this reason, the demand for dollar is low, they said.

Foreign exchange reserve is also rising. The reserve amounted to \$US 1.98 billion yesterday.

Pubali Bank Managing Director Khondkar Ibrahim Khaled said the weakening of dollar may be temporary. But export volume and remittance flow may decline if the fall of dollar continues, he added.

Donor recipe a loss in long run

Prof Muzaffer observes at BISS anniversary function

STAR BUSINESS REPORT

Focus on macro economy is a recipe of development partners that only helps in short term gain, causing long term losses, leading economist Muzaffer Ahmed said yesterday.

He said the World Bank and the International Monetary Fund (IMF) always prescribe building macro-economic base, which fails in attaining the real objectives.

Muzaffer Ahmed, a professor of the Institute of Business Administration (IBA) of Dhaka University, said the government should put more emphasis on microeconomic development to cope with the challenges of globalisation.

"Understanding the fact, Malaysia has already started to follow the microeconomic development method and is making progress," he said.

Muzaffer was delivering a lecture on 'Some Aspects of Economic Security of a Small Dependent Nation in a Globalised World' at the Bangladesh Institute of International and Strategic Strategies (BISS) organised to mark the silver jubilee anniversary of the BISS, a foreign strategy research centre, funded by the government.

Foreign Minister M Morshed Khan attended the lecture as chief guest. Mufleh R Osmany, former foreign secretary who sits in the board of BISS, chaired the lecture ceremony. BISS Director General Major General Md Abdur Mubeen also attended the anniversary.

While delivering his lecture,

Muzaffer criticised the government policy of putting emphasis only on macroeconomic development. "Development programmes start from micro level," he said.

He urged the government to identify the problems of small traders and find means to solve them.

These small traders are the real instruments of a country's economic development, he said.

"We have to prepare a poverty reduction policy and civil society has a strong responsibility to help the government in this matter," he said.

Terming globalisation a concept of new colonialism rather than liberalisation, Muzaffer said such concept makes rich people richer and poor people poorer.

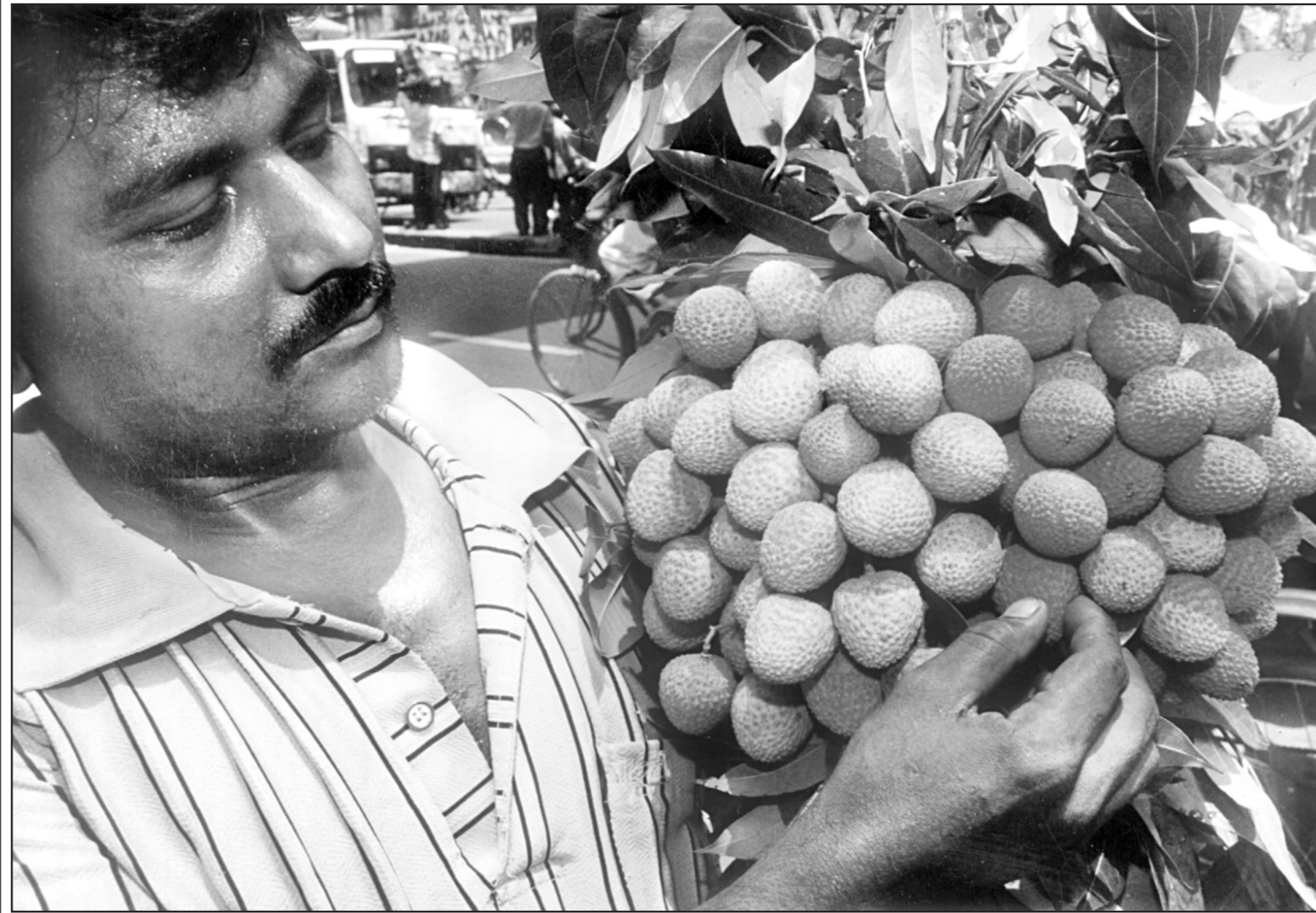
Muzaffer said as developed nations are bestowed with advanced technology, it becomes difficult for developing countries to compete with them.

Foreign Minister M Morshed Khan said globalisation is not an option but it is something that cannot be neglected. "No country can remain alone from that concept."

The minister underscored the need for capacity building and developing human resources to survive in the competition.

He also stressed strengthening regional cooperation among Asian countries similar to regional cooperation in Europe, America and Africa.

Morshed urged different trade organisations and academics to prepare the nation to be able to sustain in the globalisation era.



A vendor shows off a bunch of litchi in Dhaka's Baitul Mukarram area yesterday. Litchi from Rajshahi has flooded the city markets. The popular juicy summer fruit sells between Tk 160 and Tk 180 per 100-piece.

PHOTO: STAR

Free market access to top agenda

Commerce minister tells BGMEA delegation over Powell's visit

STAR BUSINESS REPORT

Commerce Minister Amir Khosru Mahmud Chowdhury assured garments exporters of raising the issue of duty and quota free access of goods to the US market in the official talks with US Secretary of State Colin Powell.

The minister said duty free access of goods would be the main agenda at the official discussion.

Khosru said most of the issues, which Bangladesh would raise, would aim at preparing Bangladesh so that it can sustain in the post multi fibre arrangement (MFA) era.

"Although, this is not Colin Powell's jurisdiction, we want to register our demand and the prime minister would also raise the issue during her meeting with Powell," he said while talking to a delegation of the Bangladesh Garments

Manufacturers and Exporter Association (BGMEA).

Regarding signing of Trade and Investment Framework Agreement (TIFA) with the US, the commerce minister said a draft has already been prepared on behalf of Bangladesh. "We are waiting for a counter draft from Washington."

BGMEA President Quazi Moniruzzaman led the delegation which included BGMEA vice-presidents Zinnat Ali Mian, Shafiqul Islam, and directors Anisul Huq and Fedouse Amin.

UNB adds: Khosru rejected the apprehension of relocating a section of the country's RMG factories to countries like India and China in the post-MFA trade regime.

"We'll have our competitive advantage," he told newsmen, following a meeting with BGMEA at his office.

The minister appeared confident in overruling the concern as Bangladesh has skilled manpower, management skill developed over the years, well established relation with the buyers, new arrivals of modern machinery and ongoing efforts to meet working condition compliance.

"We'll convene an inter-ministerial meeting soon to overcome the problems of the RMG industry," Khosru told the BGMEA delegation.

He assured the BGMEA of considering reduction of high banking charges on export services.

"We're in right direction to face the challenge of quota-free trade era," he said, urging the BGMEA leaders to run their industry in a more professional manner to compete with China.

Hasina assures of lobbying

on RMG issue

Awami League President Sheikh Hasina yesterday assured the BGMEA leaders that she would strongly urge Secretary of State Colin Powell for initiating preferential treatment for Bangladeshi RMG exports to America.

As part of his visit to some Asian countries, Colin Powell would arrive in Dhaka on Thursday and is likely to call on Sheikh Hasina.

"Awami League is enthusiastic about the RMG sector where the country's 18 lakh workers including 15 lakh women are directly involved for their livelihood," she told the BGMEA delegation.

A 15-member BGMEA delegation led by its President Kazi Muniruzzaman called on the opposition leader at her Sudha Sadan residence.

The delegation held about an

hour-long meeting with Hasina discussing various issues relating to the RMG sector, according to BGMEA officials.

During the meeting, Hasina informed the BGMEA leaders that she talked with US senators, congressmen and high officials during her last visit to USA on duty and quota free access of Bangladeshi RMG products to the American market.

The BGMEA leaders also urged her to address the issue of Flag Protection Act in parliament to repeal the law and Hasina assured them that she would raise the matter in the House.

After the meeting, BGMEA President Kazi Muniruzzaman said they had also discussed the overall law and order situation of the country and expressed their deep concern.

South Asians mull central clearing house

Bid to facilitate faster risk-free transactions among ACU members

PALLAB BHATTACHARYA, New Delhi

Central banks of South Asian countries, including Bangladesh, and Iran have proposed the establishment of a central clearing house to facilitate faster risk-free clearing and settlement of transactions among member countries of Asian Clearing Union (ACU).

The central clearing house was among a set of nine recommendations made by a meeting of heads of central banks of Bangladesh, Bhutan, India, Iran, Myanmar, Nepal, Pakistan and Sri Lanka in the southern Indian city of Bangalore

yesterday.

Two officials of the central bank of Thailand attended the meeting as observers. As per the recommendations made available here, a committee set up by ACU also suggested a time-bound programme to work out an integrated Real Time Gross Settlement (RTGS) for the region starting with central clearing house.

The committee, which reviewed the future role of ACU in the context of regional trading blocs and formation of several trade promotion groups, recommended that the focus of ACU should remain on

payments and settlements of cross-border transactions in currencies other than US dollar.

One of the recommendations asks banks in ACU member-countries to scrupulously adhere to procedures to do away with the delay in payments to exporters which continue to pose a problem. The central banks of the region may have to monitor vigorously in this regard, it suggested.

The committee also recommended that ACU may be made as the preferred mechanism for settlements and payments in the region and other neighboring countries are

persuaded to join ACU.

It also suggests the setting up of a fund to help ACU Secretariat in Tehran to meet the expenses for work relating to ACU which was set up in 1974. The committee also proposed that ACU members use the SWIFT system of sending messages among themselves on financial transactions.

The committee took a re-look at the role of ACU with the assistance of ESCAP/UNCTAD.

Opening the 32th meeting of heads of central banks of ACU in Bangalore, Governor Reserve Bank of India Bimal Jalan urged

enhanced cooperation among member countries and suggested widening the scope of ACU.

He said the volume of trade among the member-countries which use ACU is estimated at around seven billion dollars, an increase from 50 million dollars in 1975.

The meeting elected the Governor of Iran's central bank as the Chairman and the Governor of the central bank of Pakistan as Vice Chairman of ACU for 2004. The next meeting of ACU will be held in Tehran.

Lawyers for lifting of mandatory income tax return

UNB, Dhaka

The Supreme Court Bar Association has urged the government to withdraw the proposal for compulsory income tax return and requirement of trade license for lawyers.

The association in a meeting yesterday resolved that many lawyers have no income to pay the minimum tax of Tk12,000.

The meeting observed that the proposal would discourage people from joining legal profession.

The resolution said the legal profession is governed by the Bar

Council Act and requirement of trade license for lawyers is an undue interference of the government.

The association said that the proposal came at a time when the ministers, MPs are busy raising their tax-free salaries and other fringe benefits "totally unjustified, immoral, inconsiderable measure and fraud on the public..."

The emergency general meeting of the association was presided over by its president Rookanuddin Mahmud and addressed by a dozen of lawyers.