

## Pilot scheme to Cultivate tea in hilly area

OUR CORRESPONDENT, Bandarban

Bangladesh Tea Board has taken a pilot programme to promote tea cultivation in the southeastern hilly area.

Under the programme, 750 acres of hilly land in Bandarban, Rangamati and Khagrachhari districts will be developed at a cost of Tk 4.92 crore.

On experimental basis, tea will be cultivated on 250 acres of land each in Bandarban sadar upazila, Kapitai upazila of Rangamati and Manikchhari of Khagrachhari.

Tea Board sources said the board will extend loan to the small farmers at five per cent simple interest rate through Bangladesh Krishi Bank. Each farmer will receive Tk 6,000.

The farmers having at least five acres of land will be eligible for loan, the sources said. The interested farmers have been asked to apply to the tea board by August 14.

## AKTEL holds 'mobile link' prize giving ceremony in Ctg

STAFF CORRESPONDENT, Ctg

TM International (Bangladesh) Ltd, the service provider of AKTEL cellular phone, organised 'mobile link' prize distribution ceremony in the port city yesterday.

Among the winners, Abu Sayeed, a sales executive of Alfa Tobacco Company, won a car as the first prize in the programme arranged for AKTEL cell phone users.

Prizes were also distributed among the other winners of mobile link campaign.

The function held at a city hotel was addressed by A M Zahiruddin Khan, chairman, Dato Ezaee Bin AB Aziz, managing director, Salauddin Kasem Khan, director, Yussli Yusoff, general manager (marketing) and N M Jahangir Chowdhury, area manager of TM (Telekom Malaysia) International (Bangladesh) Ltd.

Company Chairman Zahiruddin Khan said AKTEL would launch more attractive packages with quality service in future. He stressed more telecommunications facilities for the growth of business in Bangladesh.

## Apex Pharma Holds sales confce

Apex Pharma organised the sixth sales conference recently in Dhaka, says a press release.

Syed Nasim Manzur, managing director, Neaz Ahmed, director, Manoz Kumar Pal, director were present.

Ten field managers and 75 medical representatives from different areas across the country participated in the conference.

Chief Executive of the company, Jamaluddin Sikder was present.

## Repo auction

UNB, Dhaka

The reverse REPO auction of Bangladesh Bank for commercial banks and financial institutions was held here yesterday.

Four bids of one-day tenor amounting to Tk 465 crore were received and accepted.

The rates of interest against the accepted bids ranged from 3.90 per cent to 3.95 per cent per annum, said a Bangladesh Bank press release.

## JOBS holds Workshop on IT business

As a part of its IT business development programme, Jobs Opportunity and Business Support (JOBS) organised a two-day workshop in Dhaka from Saturday.

(JOBS), a project funded by USAID Bangladesh, organised the workshop titled "Strategic Business Development in the United States" in association with Bangladesh Association of Software and Information Services (BASIS), says a press release.

The first day of the workshop covered issues like developing management strategy, seeking venture capital from the USA and developing business plan. The second day of the workshop focused on drafting business plans, effective presentations/pitches and customer service/quality protocols.

More than 60 leading local software and IT companies participated in the workshop.

# External trade gets expensive

## 10pc peak season surcharge by MLOs comes into force tomorrow

HAZIDUL HAQUE

Bangladesh's external trade will have to count extra in transportation of goods through shipping lines as the mainline operators slap a 10 per cent peak season surcharge (PSS) from tomorrow.

This would be a fresh blow to the exporters and importers as they are already finding it difficult to cope with the 30 per cent hike in general rate of increase (GRI) which came into effect on July 1.

Talking to The Daily Star, feeder vessel operators said the increase was made due to some external factors like increase in oil price and growing operating cost of shipping business.

An agent of mainline operators (MLOs) said there is another proposal for increasing the bunker adjustment factor (BAF) from \$75 to \$90 per container from September 1 next.

He said all the exporters and importers have already been informed about the proposed hikes. But exporters fear that the two-fold rate hike in terms of PSS and BAF would make the business more difficult.

However, shipping line officials said the freight charge hike would not only hurt Bangladeshi business but also affect all the countries.

Shippers' Council of Bangladesh (SCB) President Faruber Anwar told The Daily Star yesterday that MLOs often raise PSS rate during the peak shipping season from July to September.

Termining the situation a global crisis, the SCB president said government should initiate talks with the authorities concerned, though there is a little hope of finding a solution to the problem.

Earlier, shipping line operators raised the freight charges by around 30 per cent with effect from July 1.

They raised the rate for per 20-ft container by US \$250 and per 40-ft container by US \$500, bound for European ports following an announcement of fresh general rate of increase (GRI) in London.

The MLOs also took similar decision for containers bound for American ports.

Explaining the reason behind the increase, the shipping line operators said increases in oil prices, ship operating and shipbuilding costs have compelled the MLOs to increase the freight charge.

Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), a platform of the second largest export earning sector, and Bangladesh Frozen Foods Exporters Association (BFFEA) have already expressed their concern over the shipping rate hike.

## Khosru calls for market access for LDCs

UNB, Dhaka

Commerce Minister Amir Khosru Mahmud Chowdhury has reiterated Bangladesh's as well as LDCs' request for market access by the developed and also by the developing countries.

The Commerce Minister made the plea on Tuesday while addressing the opening session of the three-day Montreal Informal Ministerial Meeting (July 28-30) in Montreal, Canada.

He also emphasized on implementing the commitment of all parties made in the Doha Declaration, including the commitment towards the LDCs, particularly the market access.

The Commerce Minister also reminded the gathering of the mode IV of the Doha Declaration concerning the natural movement of skilled, semi-skilled and unskilled workers from Bangladesh to other countries for jobs there.

## New jt venture co to invest \$7m in CEPZ

A Bangladesh-South Korean joint venture company will invest US\$ 6.817 million to set up a textile industry in Comilla Export Processing Zone.

The joint venture company -- M/s Banko Textile Limited is a sister concern of the multinational company Metro Spinning Limited.

An agreement to this effect was signed between the Bangladesh Export Processing Zones Authority and the Banko Textile Limited in Dhaka on Tuesday.

Joint Secretary and Member (Investment Promotion) of BEPZA M Nazrul Islam and Mohammad Ali Khokan, chairman and chief executive officer of Banko Textile Limited signed the agreement on behalf of their organisations.

BEPZA Executive Chairman Brig General (retd) M Mofizur Rahman was present at the signing ceremony.

## Karnaphuli Ins Declares 16pc dividend

Karnaphuli Insurance Company Ltd has declared a 16 per cent dividend for its shareholders.

This was declared at the 16th annual general meeting of the company held in Dhaka recently.

Nizam Uddin Ahmed, chairman of the company, presided over the meeting, says a press release.

# PSI companies get 3-month extension

STAR BUSINESS REPORT

The government has given another three months extension to the three pre-shipment inspection (PSI) companies now engaged in import valuation activities.

The tenure of the companies, scheduled to end today, has been extended till October 31 this year, sources in the National Board of Revenue (NBR) said.

The NBR yesterday issued extension letters at the directive of Finance and Planning Minister M Saifur Rahman in this regard, they said.

The three existing PSI compa-

nies -- Inspectorate Griffith, ITS and Bureau Veritas -- have been working in Bangladesh since February 15, 2000.

The three-year tenure of the PSI firms expired on February 15 this year but the government gave them extension thrice, including the latest one.

Sources said the government had to extend their tenure in the face of administrative and legal complexities in the tender process for appointing new PSI companies.

In the next three months, the NBR is likely to finalise the re-tender process for fresh appointment of PSI firms for the next three years,

sources said.

Meanwhile, the chamber leaders and businessmen sharply reacted over a move of the NBR to either scrap the PSI system or extend the tenure of the existing firms.

The Finance Ministry, however, opted for the second alternative rejecting the proposal for canceling the PSI system, which was welcomed by business community and donors.

Businesspeople apprehend that scrapping of PSI system and re-introduction of import valuation by customs officials will fuel corruption and increase harassment on importers.

# Govt sets 10pc industrial growth target by 2006

## Bol board okays holding of Agri-Invest Bangladesh 2003 fair

UNB, Dhaka

The government has set the domestic industrial growth target at 10 per cent by the year 2006.

According to the Asian Development Bank, the growth rate of local investment stood at 7.3 per cent during the last fiscal year compared to 5.48 per cent in the previous fiscal (2001-2002).

The industrial growth is expected to exceed eight per cent during the current fiscal year (2003-04).

Investment in capital machinery during FY 2002-03 was Tk 4754 crore, an increase of 44 per cent over the previous year.

The figures were revealed at the 17th meeting of the Board of Investment (BOI) held at the International Conference Center yesterday. Prime Minister Khaleda Zia chaired the meeting.

Reviewing the success and progress of the decisions taken at the previous meeting of the BOI, the day's meeting was informed that local investment registered during FY 2002-2003 stood at Tk 11652 crore.

Nearly 85 per cent of the registered projects were implemented or under implementation.

The BOI meeting finalized holding of Agri-Invest Bangladesh 2003 fair to be held at the Bangladesh China Friendship International Conference Center from October 23

to October 25.

The 3-day international exposition will be jointly organized by Bol, Ministry of Agriculture and South Asia Enterprise Development Facility (SEDF).

Participants from 15 countries are expected to participate in the investment and trade fair aimed at involving local and foreign agro-processing industries, entrepreneurs, prospective joint venture seekers, technology suppliers, domestic and international buyers, agri professionals and technologists.

The prime minister asked the concerned officials to intensify the activities of the Bol to attract more local and foreign investors.

She also asked them to intensify dissemination of information, particularly of the incentives provided by the present government, and the attractive industrial and investment policies.

The prime minister further asked them to ensure the quality of Bangladeshi goods and to take more care in improving the standard of packaging.

Pointing at the natural advantage of agro-based and agro-processing industries in Bangladesh, the prime minister told all concerned to give special emphasis in providing logistic support.

It would generate employment as well as reduce poverty, she

reminded.

The Board at yesterday's meeting approved three bighas of land for Bol's own building at Agargaon.

It was also decided that discussion with UNCTAD would be started to review the investment policy of Bangladesh.

The Board meeting appreciated the publication of the maiden edition of Bangladesh Investment Review, a quarterly newsletter of the BOI.

Finance Minister M Saifur Rahman, Textiles Minister Abdul Matin Chowdhury, Industries Minister Matur Rahman Nizami, Science and Information and Communication Technology Minister Dr Abdul Moyeen Khan, Telecommunications Minister Barrister Aminul Huq, Foreign Minister M Morshed Khan, State Minister for Expatriate Welfare and Overseas Employment Maj (retd) Kamrul Islam, State Minister for Energy AKM Mosharraf Hossain, State Minister for Jute Lutfur Rahman Khan Azad, Bangladesh Bank governor Dr Fakhruddin Ahmed, PM's Political secretaries Harris Chowdhury and Mosaddeq Ali, Principal Secretary Dr Kamal Uddin Siddiqui, BOI executive chairman Mahmudur Rahman and secretaries concerned were present.

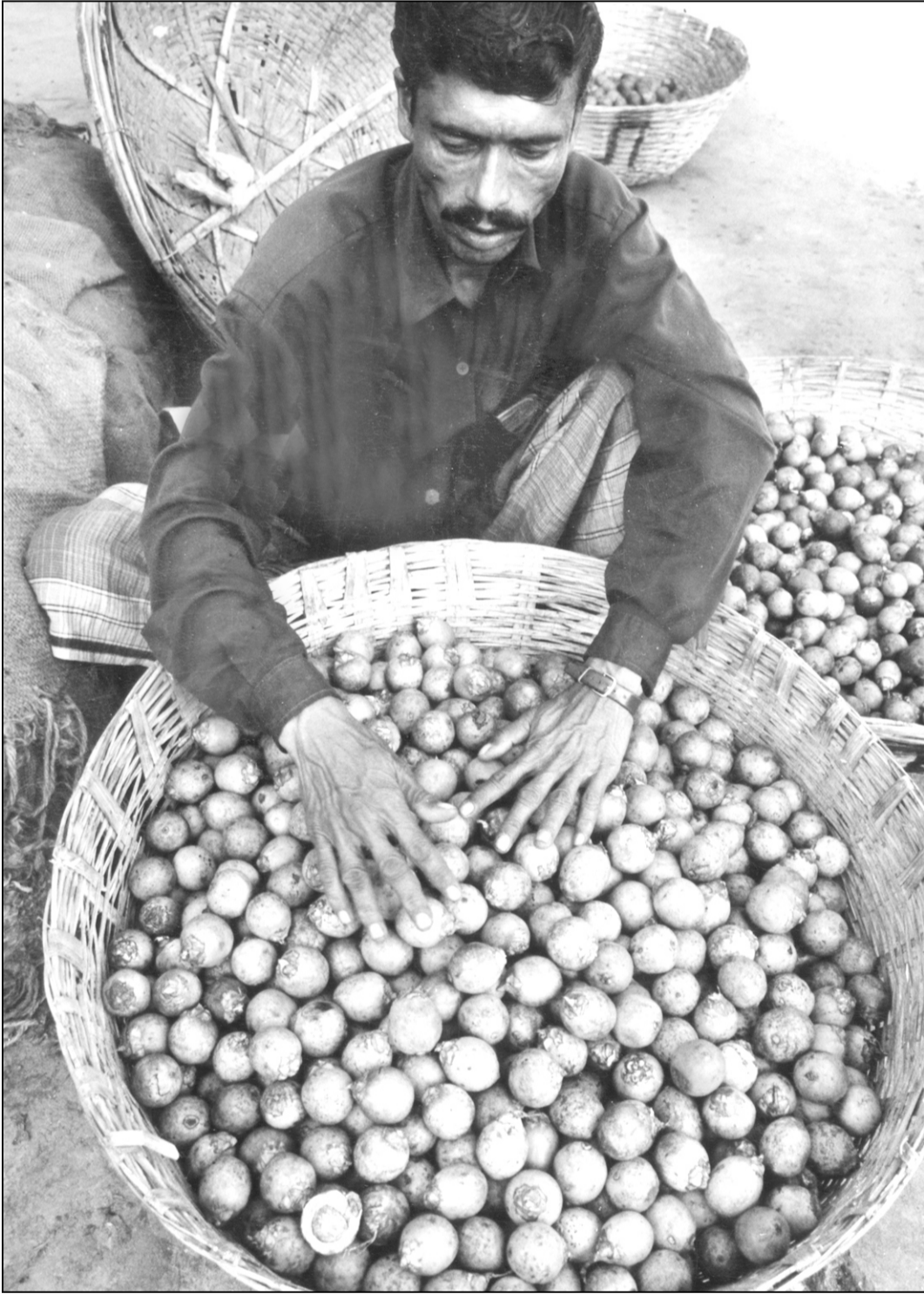


PHOTO: STAR

A betel nut trader waits for customers at Karwan Bazar in Dhaka. The raw nuts sell at Tk 10-15 per 20 pieces.

# UNCTAD to incorporate Bol released investment figures

UNB, Dhaka

UNCTAD has agreed to incorporate in its World Invest Report 2003 the investment figure quoted by Board of Investment (Bol) along with the data the UN body collects from traditional sources.

Compiling investment figures, the UN agency has so far depended on the IMF data on investment, which Bangladesh's official investment agency, the Bol, says did not reflect the actual state.

IMF's primary source has, however, been the Bangladesh Bank. But the central bank only records cash inflow while investment components also include machinery, reinvestment, merger and acquisition, Bol officials said.

"This is for the first the Bol has developed its own mechanism to record foreign direct investment

inflow. We've followed the UNCTAD definition, but the central bank hasn't," a senior executive of the board said.

This year the Bol came out with its own survey results for the first time since its inception, putting the FDI inflow figure at US\$ 360 million in the last calendar year, 2002.

It also took initiatives to bring consistencies between the investment figures quoted by the central bank and the Board itself. The Bol also requested the central bank to follow UNCTAD definition in recording FDI inflow.

As a result, central bank on July 22 this year informed the Bol that FDI inflow in the 2001-02 fiscal year was US\$ 394 million, while it figured US\$ 175 million in July-December of FY 2002-03.

The anomalies would be further minimised if the central bank

quote figures on the basis of calendar year following the UNCTAD system, the Bol official said.

During a visit to Geneva in June, Bol executive chairman Mahmudur Rahman convinced the UNCTAD authorities to include Bol investment figures, which, he claimed, reflect the real investment scenario in Bangladesh.

The UNCTAD agreed to incorporate the Bol survey findings alongside the figures it usually quoted from IMF.

The Bol chief executive also sought UNCTAD assistance for capacity building of the Board.

Prime Minister Khaleda Zia, yesterday approved Bol's proposal to formally approach UNCTAD for reviewing Bangladesh's investment policy.

# DSE broker may be axed for misconduct

NAZRATUN NAYEEM MONALISA

The Dhaka Stock Exchange (DSE) is likely to forfeit membership of one of its brokerage houses for failing to settle its clients' claims.

MD Ali Hossain & Co faces the axe for failing to respond to a 10-day DSE deadline served on July 21.

In the final notice to the brokerage house, DSE on July 21 directed the broker to settle all claims or face membership suspension.

The clients of the accused DSE member alleged that the broker had misappropriated about Tk 1.50 crore.

The bourse also served final notice to three other members -- Times Securities Ltd, Mansura Securities Ltd and Qazi Kamal Securities on the same day.

In response to the notice Times

Securities Ltd, Mansura Securities Ltd and Qazi Kamal Securities partially settled their claims and sought more time from the exchange for settling all the claims, said a top DSE official.

The exchange served the final notice to the four members based on an investigation of DSE where it was found that the brokerage houses had borrowed from their clients and in few cases refused to settle their genuine claims.

Meanwhile, the DSE formed a three-member investigation team to monitor the activities of all its 195 members following a directive from the Securities and Exchange Commission to conduct investigation against at least five brokerage houses every month.

Earlier, the exchange had forfeited the membership of T Mashful & Co for fake share transaction.