

## Saifur slams IMF rigidity

'Consider socio-economic, political imperatives in carrying out reforms'

UNB, Dhaka

Finance Minister M Saifur Rahman has urged International Monetary Fund to be more flexible in its approach and take into account the emerging socio-economic and, sometimes, political imperatives of a democratic country in carrying out reforms.

Speaking at a seminar in Dubai yesterday he was critical of the IMF's rigidity and inflexibility in defining and monitoring many of its programmes.

"IMF's timetable of reforms must take into account the fact that institutional and structural reforms take time," Saifur told the seminar on the role of the IMF in low-income member countries in the Middle East, according to a message received here yesterday.

Ultimately, it is the government, as the elected representatives of the people, which has to take the final decision on reforms and its content, timing and spacing, he said, hinting at the inherent problems of initiating reforms.

The finance minister returns home today for family emergency, cutting short his visit to the Gulf state to attend the World Bank-IMF annual joint meeting scheduled for September 23-24.

Given the not-so-good experience with privatisation of some services as railway in some developed countries, Saifur called for rethinking the prescription about blanket privatisation of essential services such as railways, power and water supply.

He also rejected the idea that

low-income countries can depend on private flows to meet the large investment requirements for physical infrastructure.

Saifur said implementation of Poverty Reduction Strategy Paper (PRSP) recommendations goes beyond macroeconomic stabilisation and requires an accelerated employment-intensive and pro-poor growth.

"In doing so, IMF and other development partners come face to face with socioeconomic issues which are much more complex," he pointed out.

While playing the role of the 'gatekeeper' in mobilising donor support for low-income countries, the IMF needs to go beyond its traditional core areas of fiscal systems and coordinate works of other

development partners.

Moreover, he said, the Fund needs to examine how it could better contribute to attainment of Millennium Development Goals (MDGs), accepted by low-income countries around the world.

Saifur Rahman also met IMF Deputy Managing Director Shigemitsu Sugisaki and discussed various issues related to IMF assistance and pace of reforms here.

Bangladesh Bank Governor Fakhruddin Ahmed, Alternative Executive Director of the World Bank Dr Akbar Ali Khan, Economic Relations Division Secretary Mirza Tassaduq Hussain Beg and Bangladesh Ambassador to UAE Mirza Shamsuzzaman were present at the meeting.



Junior Chamber Bangladesh (JCB) National President Syed Almas Kabir (C) along with Event Coordinator Mishu Rahman (R) and Marketing Coordinator Aftab Mahmud Khurshid of a three-day international conference organised by the JCB poses for a photograph at a press conference held at the National Press Club yesterday.

## Lottery sheds fat of NCC Bank board

STAR BUSINESS REPORT

Failing to slim down board size as per instruction of the central bank, a private commercial bank had to go for a lottery to decide the maximum 13 directors.

In a draw held openly on Wednesday, the National Credit and Commerce Bank Limited (NCCBL) elected the 13 directors as negotiations failed to convince directors for a voluntary exit from the bloated 27-member board.

Earlier, overnight discussion at a board meeting on Tuesday failed to downsize the board.

Then the directors had to participate in the lottery, setting the first such instance by a private bank in Bangladesh.

The bank has chosen three directors from general shareholders while four incumbent sponsor directors were found eligible to

continue as they did not serve as directors for more than six years. The bank had to elect six others through lottery.

The PCBs are now in a process of electing directors for their boards as per a Bangladesh Bank circular issued on April 26 that instructed the PCBs to keep the number of directors in their respective board within 13.

The central bank circular also instructed that nobody would be allowed to serve as a director for more than six years in two consecutive terms.

Meanwhile, another PCB, Islami Bank Bangladesh Limited, has postponed its director election due to a 10-day injunction from a lower court. The bank held an AGM on Thursday but could not elect 13 directors following the court order.

Islami Bank has now 23 directors in its board. Three of them obtained

the injunction as they filed a petition against the bank, its chairman and the board arguing that they had been deprived of their right to contest the director election.

Earlier, 18 directors from different PCBs jointly filed a writ petition against the central bank circular, but the High Court did not serve any stay order on it. The HC only asked the central bank to explain the matter.

Last week, National Bank Limited reduced the number of directors to 13 through negotiations among the 22 existing directors. South East Bank Limited has already kept the number within 13, as per the BB directive.

At present, 30 PCBs have around 500 directors in their boards.

## Repo auction

UNB, Dhaka

The reverse Repo auction of Bangladesh Bank (BB) for commercial banks and financial institutions was held in Dhaka yesterday.

Three bids of two-day tenor amounting to Tk 90 crores were received and that were accepted.

The rate of interest against the accepted bids was 2.50 per cent per annum, a BB press release said.

## New chairman of National Bank



Parveen Haque Sikder has been elected chairman of National Bank Limited for a two-year term.

She was elected by the newly elected directors of the bank at the 20th annual general meeting held in Dhaka on Thursday, says a press release.

Sikder is also vice-president of ZH Sikder Women's Medical College and Hospital.

## New chairman, vice-chairman of leasing firms' association



Chairman Vice-chairman

A Quadir Choudhury, managing director of Phoenix Leasing Co Ltd, and Anis A Khan, CEO and managing director of IDLC of Bangladesh Ltd, have been elected chairman and vice-chairman of Bangladesh Leasing and Finance Companies Association (BLFCA).

They were elected at an election of the association held in Dhaka recently, says a press release.

## Dollar tumbles ahead of Dubai meeting

AP, New York

The dollar tumbled across the board Friday, buckling under huge selling pressure ahead of the meeting in Dubai Saturday of finance ministers and central bankers from the Group of Seven leading industrialized nations.

Investors continued to buy up yen on the bet that Japanese monetary authorities wouldn't intervene going into an international event with currency policy high on the agenda.

That selling pressure pushed the dollar down through the key levels of 115 yen and 114 yen to 113.57 yen for the first time since early January 2001.

clear - currencies of countries with deficits will come under pressure," said a senior currency dealer at a Japanese bank in New York.

## Young entrepreneurs' int'l confce begins Wednesday

STAR BUSINESS REPORT

Young entrepreneurs from Asia talk agro-based enterprises and business issues as they gather in a summit in Dhaka on Wednesday.

Junior Chamber Bangladesh (JCB), a platform of young entrepreneurs and professionals, is organising the three-day international conference.

President Iajuddin Ahmed is expected to inaugurate the conference titled "3E Summit" at Dhaka Sheraton Hotel. The theme of the event is -- Educate! Enhance! Energize!

Organisers hope the innovative and interactive sessions of the conference would produce concrete output to address the issues related to the current generation leaders.

The conference will discuss a number of issues and needs related to young businessmen and professionals of Bangladesh, said JCB National President Syed Almas Kabir at a press conference held at the National Press Club yesterday.

Former JCB president Waker Ahmed Chowdhury, Event

Coordinator Mishu Rahman and Marketing Coordinator Aftab Mahmud Khurshid also spoke.

The major issues to be discussed in the conference are global trade scenario, agro-based enterprises, environment protection and telecom industry.

Besides, a number of successful entrepreneurs and personalities including Bangladesh Telecommunication Regulatory Commission Chairman Syed Marghub Murshed, economist Debapriya Bhattacharya, industrialist Samson H. Chowdhury and women entrepreneur Rokia A Rahman will share their experiences with the participants at the 3E Summit.

Conference organisers said young entrepreneurs from India, Sri Lanka and Japan have already ensured their participation in the event. Some participants from Nepal and Malaysia are also expected to join the summit.

The participants will include people engaged in corporate and social development fields, trainers and eminent leaders. Two

renowned experts from India and Sri Lanka will conduct two separate training sessions on management.

On the second day of the conference, annual JCB Awards -- Business Entity of the Year, Business Personality of the Year, Young Entrepreneur of the Year and Best Business Plan -- will be handed over to winners.

GrameenPhone, Partex Group, The Daily Star, Agro-based Industries and Technology Development Project (ATDP), Hongkong and Shanghai Banking Corporation (HSBC) and Green Delta Insurance are the event partners of the conference.

JCB, formed in 1999 with entrepreneurs and professionals aged between 18 and 40, is the country partner of Junior Chamber International (JCI).

The JCI was founded in 1940 in the US with a view to developing leadership through workshops, training and community involvement among the young entrepreneurs. It has more than 2,00,000 members in 123 countries.

## Thai shrimp producers to contest US dumping claim

ANNI/ THE NATION

Thailand's shrimp producers are going to hire lawyers to defend themselves from allegations that they have been dumping on the US market.

Prime Minister Thaksin Shinawatra has agreed that the Commerce Ministry should hire lawyers to start the process.

After meeting with Thaksin yesterday, Somsak Paneetayasi, president of the Thai Shrimp Association, said the government was to order the relevant agencies to provide technical and financial supports to the association.

He said the value of Thailand's shrimp exports to the US market was Bt30 billion to Bt40 billion a year, about half the shrimp exports, and the US could charge anti-dumping duty on Thai shrimp. Thailand exports a total of 115,000 tonnes of shrimp products, accounting for 27 per cent of the US market.

The European Union has already cut tax privileges for Thailand under the Generalised System of Preferences. As a result, the Thai products' import tariff rate has gone from 4.2 per cent to 12 per cent. High value-added products are subjected to an import duty of 20 per cent.

The tariffs have weakened the country's competitiveness compared with export rivals such as India, Vietnam and Indonesia. Those countries' products are subject to import duties of 4.2 to 7 per cent, while Ecuador and Peru will be charged 3.6 per cent.

Somsak added that the association had asked the government for Bt50 million for its fight against the US.

## India to import LNG to meet energy deficit

PTI, Hazira, India

India will supplement domestic natural gas production by importing liquefied natural gas on western Gujarat coast from next year and will invest Rs 180 billion over the next 5-6 years to lay a cross-country gas pipeline to take the fuel to energy deficit regions.

"Public sector Petronet LNG will begin importing LNG from Qatar in January 2004 and towards the year-end Royal/Dutch Shell too will begin sales from its Hazira terminal," Petroleum Minister Ram Naik said at the unveiling of Shell's 600 million dollar LNG import and regasification terminal here.

India is currently deficit in natural gas as domestic production of 65 million standard cubic metres per day is short of demand of 115 mmscmd.

Like the proposed national power transmission grid a national gas grid involving construction of over 7,000 km of cross-country gas pipelines at an investment of Rs 18,000 crore will be constructed over the next 5-6 years.

## ADB plans workshops to frame country strategy

BSS, Dhaka

The Asian Development Bank (ADB) plans four regional consultation workshops in September and October as part of its process to frame a fresh country strategy and programme (CSP) for Bangladesh.

The ADB will hear the views of government and other stakeholders, including project beneficiaries on the country's development agenda and the role that the development partners, especially ADB, could play in assisting the government to pursue this agenda, an ADB press release said.

The first regional consultation workshop will be held at Barisal on September 22 in which over 60 representatives from civil society/nongovernment organisations (NGOs) women's groups, business groups, researchers, journalists, poor communities, and local government agencies are expected to participate.

The remaining three regional consultation workshops will be held in Sylhet, Rajshahi, and Chittagong.

Consultations with government agencies are planned from late October to mid November 2003 to coincide with ADB's annual Country

Program Confirmation Mission.

More consultations with major NGOs, the private sector, development partners, and academics are expected to be held in Dhaka in the coming months.

The CSP will support implementation of the government's recently completed National Strategy for Economic Growth, Poverty Reduction, and Social Development, the press release added.

The CSP will be placed at the meeting of the Board of Directors of ADB for consideration.

## Dhaka needs strategy to face challenges in RMG sector

BSS, Dhaka

Speakers at a function here yesterday stressed the need for immediate preparation of a strategy for the readymade garments (RMG) sector to face challenges of the restriction-free environment after 2004.

Bangladesh needs immediate preparation of a strategy to conduct RMG exports, the largest foreign exchange earner of the country, in the changed situation because the time is running out very fast, they said.

The speakers said at present none of the Asian textile exporting countries have assumed the role of a major challenger for Bangladesh's RMG exports because it enjoys that status of a least developed country.

But with the expiry of multi-fibre agreement (MFA) in 2005, Bangladesh will have to face competition from many Asian garments producing and exporting countries in getting the market share in the global arena, they said.

The speakers were addressing a training course on "Maintenance Technology of Industrial Sewing Machines" at Sonargaon hotel organised by the Association for

Overseas Technical Scholarship (AOTS) of Japan, in cooperation with Brother Industries Japan, Brother International Singapore and Brother Bangladesh Liaison Office.

The opening function was addressed by Eiji Sekine, president of Japanese Association in Dhaka, Sotaro Nishikawa, representative of Japan External Trade Organisation (JETRO) Dhaka, Tsuyoshi Kawamura, representative of Brother Industries Japan, Dr A K M Moazzem Hussain, representative of AOTS Dhaka and A Q Razul Huq, vice chairman of the steering committee.

Three Japanese experts will conduct the technical sessions of the six-day course being participated by about 45 persons from different garment industries. Bangladeshi engineers will also assist them during the course.

Laying stress on the setting up of backward linkage industries, they said some Asian countries (who are not LDCs) have strong backward linkages to support quantum growth in production and export. They have also mobilised huge funds to further strengthen their backward linkage base to face the post MFA era. Eiji Sekine said garment indus-

tries in Bangladesh have shown a big growth over the years taking full benefit of inexpensive and abundant labour. Now it has to take immediate preparation to face the post MFA era through not only competitiveness in price but also in quality of products, he added.

Sotaro Nishikawa said since establishment in 1973 JETRO Dhaka has been extending financial and technical and financial support to the potential private sectors of Bangladesh through various its schemes.

Tsuyoshi Kawamura said his company holds worldwide network to provide exceptional value and satisfaction to its customers. This seminar, he hoped, would help learn something important about garment industries.

Dr Moazzem Hussain said AOTS has four training centres in Tokyo, Yokohama, Nagoya and Osaka in Japan. It has so far imparted training to more than 1500 people here under various programmes. Besides, it provided training to 850 Bangladeshi people in technical and management fields in Japan.