

Bangladesh's growth below average in '05

Says Escap

STAR BUSINESS REPORT

The economic growth in Bangladesh was below the average growth of 6.6 percent in the developing nations in Asia and the Pacific in 2005, has said UN-Escap Economic and Social Survey.

Bangladesh achieved 5.4 percent in real GDP growth that year which is better than those of Nepal and Myanmar, but it is lower than the average growth in the region, the survey added.

This was announced in the UN-Escap Economic and Social Survey of Asia and the Pacific in 2006 published globally yesterday. UNDP Resident Representative Larry Maramis formally launched the report at a press conference in United Nation Information Centre

(UNIC) in Dhaka.

Mirza Azizul Islam, former chairman of Securities and Exchange Commission, gave an overview of the highlights of the survey.

The survey report pointed out that in Bangladesh a surge in oil and commodity prices combined with the adverse effect of the floods put severe upward pressure on the price level. As a result, the inflation rose to 6.5 percent in 2005 from 5.8 percent in 2004, the survey added.

The import bill also went up due to surge in oil and commodity prices.

The survey suggested giving infrastructure development higher priority with a major emphasis on the energy sector.

It said despite remarkable economic growth, pockets of

poverty continue to exist in East and Southeast Asia.

The report observed unemployment issues will be the important challenges for the region as approximately 679 million people are still living in poverty in the region despite significant economic growth.

"Labour markets in the region have hardly progressed relative to the region's economic gains," said the report.

"In many countries, economic growth is not generating enough well paying jobs or even enough to absorb new entrants to the workforce".

The report revealed that following a strong performance, the economic growth rate of developing countries in Asia and the Pacific region slowed

moderately to 6.6 percent in 2005 from 7.4 percent in 2004.

This happened mainly because of high oil and commodity prices and a global slowdown in trade, it added.

Mirza Azizul Islam said the inequality in the growth is a major problem and measures should be taken to address it.

He suggested injecting more money in poverty alleviation and sectors like health and education for reducing the poverty level.

Responding to a question, Larry Maramis observed Bangladesh is yet to rule out joining the UNESCAP-sponsored Asian highway network.

"It is a politically sensitive issue and I think Bangladesh is continuing negotiation to join the network" he commented.

Prime Bank declares 25pc stock dividend

Prime Bank Ltd yesterday declared 25 percent stock dividend for its shareholders for the year 2005.

Qazi Saleemul Huq MP, chairman of the board of directors of Prime bank Ltd announced the dividend at the bank's 11th annual general meeting, held at

Bangladesh-China Friendship Conference Centre in Dhaka, says a press release.

The bank had been able to make a net profit before tax of Tk 120 crore registering a growth of 12.78 over the last year, the AGM was told.

Nazma Haque and Ferdousi Islam, vice-chairpersons of the board of directors were also present.

AKTEL launches mobile banking service with BRAC Bank

STAR BUSINESS REPORT

AKTEL, a leading cellular service provider, with BRAC Bank Ltd has launched a service titled 'Mobile Banking Service'.

The alliance focused on the issues of business relationship between AKTEL and BRAC Bank through 10 mobile banking services to facilitate their customers.

It was announced at a joint press conference in Dhaka yesterday.

The initiative will create a business relationship between the two organisations through mobile banking services such as SMS banking, SMS bill payment services for post-paid and top-up for pre-paid customers, bill collection via bill pay machine and ATM machines, and debit and credit card for AKTEL post-paid customers.

Telex service goes into oblivion from today

STAR BUSINESS REPORT

The state-run telecoms operator is going to discontinue telex service from today as its deal with the British Telecom expires.

As the service has become commercially non-viable, British Telecom informed the Bangladesh Telegraph and Telephone Board (BTTB) about its inability to continue the service, sources said.

The BTTB's deal with the British Telecom expired on December 31 last year but the agreement was renewed for only three months.

Local and international traffics for the telex service were on the decline in the last few years with the advent of mobile phone and

internet. The state-run telecoms operator still had clients such as Bangladesh Bank, nationalised commercial banks (NCBs) and private commercial banks (PCBs) and some other government organisations. The clients were informed of the decision.

The state-run operator, however, will continue its telegraph service using alternative ways including fax, phonogram and railway mail service, BTTB officials said.

"The telex service has become obsolete and spare parts are not available to repair the machines. The service has been withdrawn in many countries due to poor use," said a top BTTB official.

BTTB has around 900 offices

across the country with only 91 now having telex facility. Other offices continue telegraph service using alternative ways.

However, the official said none of the BTTB offices will be closed, as it would continue telegraph and public call office (PCO) services through these offices. Several hundred employees working for telex service will be absorbed in other departments of the BTTB.

According to BTTB estimates, 1.77 lakh local and 6,500 international messages were sent in the 2004-05 financial year, which were 2.68 lakh and 25,000 respectively in 2003-04 fiscal.

Nokia launches 3 phones for growth markets

Forecasts number of mobile subscribers to reach 3b by 2008

NAFID IMRAN AHMED, from Chongqing, China

Nokia, the world leader in mobile communications, yesterday strengthened its offering for the new growth markets such as China, India, Southeast Asia and Africa and forecast the number of mobile subscribers will grow to three billion by 2008.

As around 80 percent of this growth will come from new emerging markets, Nokia's main focus is to make communications more affordable and accessible to a broader range of subscribers.

As part of the plan Nokia introduced three basic new models for the first time users in these markets. The Nokia 1112, Nokia 2310 and Nokia 2610 are three basic models, which are easy-to-use, reliable and affordable.

"Nokia expects that Asia-Pacific and China will account for 50 per-

cent of the next billion subscribers," said Colin Giles, senior vice president, Customer and Market Operations, Greater China Area, Nokia, while addressing the Nokia Experience Mobility 2006 event at Chongqing, China.

"One of the most important keys to success in these markets is to offer attractive, reliable and easy-to-use mobile phones that are specifically designed to meet the unique needs of consumers in new growth markets," said Soren Petersen, senior vice president, Mobile Phones, Nokia, while introducing the new models.

With sleek designs, a well-balanced range of features and even special finishes like rubberised paint to combat dust and improve grip Nokia's new range of basic phones will hit the market on the second quarter of this year. The

estimated retail prices of the models, besides subsidies and taxes are expected to be 45, 65 and 75 euros.

Not only forecast and new models, Nokia is also enabling operators to offer different service levels to different customers with the new Nokia Connect Market Expansion Toolkit.

"The Nokia Connect Market Expansion Toolkit allows operators to develop diverse service offerings at different prices to meet the needs of both current segments and new, lower-spending ones in a profitable way," said Rauno Granath, director, New Growth Markets, Networks, Nokia.

Granath also talked about the Nokia Prepaid Tracker solution that automatically updates the users' phones with their up-to-date prepaid balance and call expenses.

FINANCIAL EDUCATION PROJECT FOR THE POOR

Citigroup donates \$3.9m

Citigroup has announced a US\$3.9 million grant to educate millions of poor people around the world about important financial concepts, says a press release.

The curriculum for this ambitious project was introduced publicly for the first time in conjunction with one of the largest international microfinance event -- "Asia Microfinance Forum", held in Beijing, China from March 21-24.

Funded by the Citigroup Foundation, the Financial Education for the Poor project is designed and managed by international non-profit groups aimed to rapidly advance financial education

for the poor in many countries.

"Citigroup is committed to building a more inclusive financial sector by helping to bring together government, business and community stakeholders," said Robert Morse, CEO, Corporate & Investment Banking, Citigroup Asia Pacific.

Fakhrudin Ahmed, managing director of Palli Karma Shahayak Foundation, attending as a special guest of Citigroup said, "This is a good platform for sharing experiences on partnerships and innovations. Jointly we can all work towards increasing the impact of microfinance in Asia."



PHOTO: CITIGROUP

Robert Morse, CEO, Corporate & Investment Banking, Citigroup Asia Pacific, announces the US\$3.9 million grant to Financial Education for the Poor project at the opening of Asia Microfinance Forum in Beijing, China.