

FM for Bimstec economic community by 2020

Seeks Japan's inclusion in the bloc

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Bimstec may also look towards a customs union, eventually leading to an economic community by 2020, said the minister for foreign minister at a dialogue in Dhaka yesterday.

M Morshed Khan also observed that establishment of bond market could explore tremendous prospects in boosting economic stability and cooperation in the region.

He was inaugurating the dialogue on 'Bimstec-Japan Comprehensive Economic Cooperation: Bangladesh Perspective' organised by Bangladesh Institute of International and Strategic Studies (BISS) in collaboration with Centre for Studies in International and Development at the BISS auditorium. Sasakawa Peace Foundation, Tokyo, supported the dialogue.

The minister also voiced Bangladesh's eagerness for Japan's inclusion in the Bimstec (Bay of Bengal Initiative of Multi-Sectoral Technical and Economic Cooperation) to deepen understanding and collaboration between the two sides.

"We want implementation of Free Trade Agreement (FTA), setting up of an institutional framework for monetary cooperation including commercial banking and capital market among the Bimstec member states," he said, suggesting removal of all non-tariff and para-tariff barriers in the interest of progress in the FTA process.

He further said, "As soon as FTA enters into force, issues relating to harmonisation of standards, quality control and certification need to be addressed."

Exploring possible areas of cooperation beyond a free trading of commodities will also be a laudable step, he pointed out.

Describing Japan as one of the largest bilateral development partners for all Bimstec countries, he said growing interest of this economic giant in the regional forum is of significant value to these countries.

Japan's response to the Bimstec could eventually draw both sides to concrete cooperation in various sectors, Morshed Khan said, expressing hope that the reflections in the dialogue might help the government and civil society in Japan appreciate further cooperation in the regional group.

Ambassador Mufleh R Osmany, chairman of BISS, said market access, capacity building, movement of capital and labour, scientific and technical cooperation are among the important fronts for Bangladesh where Japan can help.

Osmany, also a former foreign secretary, chaired the inaugural session of the dialogue.

He suggested that a joint Bimstec-Japan study on foreign direct investment from Japan to Bimstec region, better movement of peopleskilled and unskilled manpower, special incentives and concessions in matters of general trade cooperation should be conducted.

Indian Member of Parliament Md Salim said greater cooperation in the region is very important in the era of globalisation. "We have host of things to offer to the world, but we cannot do it alone," he added.

"We need to join hands and exchange cooperation. The govern-

ments of the region must come forward," he said, urging Japan to be involved in the regional forum for expansion of its cooperation.

Masayuki Inoue, ambassador of Japan to Dhaka, said though Japan has intensified its relations with East and Southeast Asia through cooperation in economic, political, and cultural areas, its ties with South Asia have still been at its initial stage.

However, in the interest of economic development in South Asia, it is crucial that countries in the region should work together toward further strengthening economic relations between Japan and the Southeast countries, he said.

Ambassador Shashank, a former foreign secretary of India, also spoke at the function.

Indian cotton yarn, fabric show kicks off today

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In a bid to project a wide range of cotton and blended textiles, a three-day Indian cotton yarn and fabric show begins at Dhaka Sheraton Hotel today.

India's leading 19 manufacturers will exhibit cotton woven and knitted fabrics, twills, drills, denims, dobby, satins, poplins, fine count shirting, prints, furnishing fabrics besides cotton yarns of various counts at the fair.

Commerce Minister Hafizuddin Ahmed is expected to inaugurate the first ever show of its kind in the country at 10:30am.

The Cotton Textiles Export Promotion Council (TEXPROCIL) of India in association with Indian high commission in Dhaka is organising the exposition styled 'Indian Cotton Yarn & Fabric Show-2006', which will remain open for all from 10am to 8pm.

The fair will offer an ideal platform to buyers and sellers of both the countries to forge viable business partnerships, said DN Sribastava, minister of Economics and Commerce of Indian high commission, at a press conference organised by TEXPROCIL in Dhaka yesterday.

Siddharth Raj Gopal, TEXPROCIL executive director, said "The show is a well timed event for providing opportunities for local apparel and textile manufacturers to source fabrics and yarns from India."

Revenue posts 13pc growth in FY06

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Revenue earning registered a 13.07 percent growth as it reached Tk 33812 crore in the 2005-06 fiscal, according to NBR sources.

It witnessed a 26 percent rise in terms of income tax and value added tax but a 0.8 percent growth has been shown in customs due to decline in imports and reduction in tariff rate in more than 3000 items only one month into the passage of budget.

The reformative measures taken by the revenue board with regard to tax evasion and direct tax collection have resulted in the rise in the revenue earning, the outgoing chairman of NBR, Khairuzzaman Chowdhury, told The Daily Star yesterday.

He also attributed the addition to value at different levels to expansion in domestic economic activities and rise in imports of raw materials.

In FY06 the revenue collection target was fixed at Tk 34456 crore

or 15.21 percent and it reached Tk 33812 crore. In the previous financial year the estimated revenue collection was Tk 29905 crore.

The NBR sources said though the total revenue earning went short of the target by Tk 644 crore, but the earning from VAT, supplementary duty and income tax at local level has been far ahead of the target point.

The revenue at import level reached Tk 15234 crore against the target of Tk 16150 crore registering a 0.8 percent growth in this regard.

In local level the growth has been recorded 25 percent reaching Tk 11161 crore against the target of Tk 11040 crore.

The income tax level witnessed a 28 percent growth as Tk 7141 crore was earned against the target of Tk 6960 crore.

NBR sources added in recent years there has been a significant rise in domestic industrial output and a GDP growth, which heightened the revenue at domestic level.

Govt urged to cut furnace oil price

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Leaders of Bangladesh Industrial Power Gas and Furnace Oil Consumers Association yesterday urged the government to reduce the price of furnace oil to help survive thousands of furnace oil-run small and medium industrial units.

Price hike of the fuel will leave the country's 6500 furnace oil-based factories on the verge of closure, president of the association said, referring to a government decision on June 26 of increasing its price to Tk 20 per litre from Tk 14.

The government decision will lead to closure of the factories and around 1.8 million people will

become jobless, association chief Hasan Salam said at a press conference in Dhaka.

He said the government increased the price to Tk 20 per litre from Tk 14 when the entrepreneurs of the furnace oil-based sector were demanding readjustment of the price to Tk 7/8.

Salam said most of the factories run by this oil were set up in such areas where gas is not available.

The price of the oil, which is used in textile, pulp and paper, dyeing, chemical, agricultural and aluminium industries, was Tk 4.51 in 1994. It was then readjusted to Tk 6.50 in 2000, Tk 10 in 2003 and Tk 14 in 2005.

SEDF, BGMEA to address compliance issues

UNB, Dhaka

SouthAsia Enterprise Development Facility (SEDF) will provide BGMEA with financial assistance in addressing some major compliance issues facing the country's garment industry.

A memorandum of understanding (MoU) to this effect was signed Saturday between SEDF and Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

The SEDF will provide Tk 92 lakh under the six-month programme titled 'Child labour monitoring, safety training, fire drill and upgrad-

ing, and workplace improvement plan in the RMG sector in Bangladesh'.

The objectives of the programme are to keep the factories free from child labour, enhance awareness among the mid-level management and workers through training on fire drill, reduce fire injury during fire incidents and develop a software to improve workplace conditions.

Adviser to Energy and Mineral Resources Division Mahmudur Rahman was present as chief guest at the MoU-signing ceremony chaired by BGMEA President Tipu Munshi.



Law Minister Moudud Ahmed (C) speaks at an international conference on corporate management and global practices organised by Institute of Chartered Secretaries and Managers of Bangladesh in Dhaka yesterday.

Enact chartered secretaries law soon to ensure corporate governance

Confce urges govt

STAR BUSINESS REPORT

Speakers at an international conference in Dhaka yesterday urged the government to enact chartered secretaries act as early as possible to ensure corporate governance.

A company secretary is an independent professional, but in Bangladesh the profession is yet to get institutional shape, they told the inaugural session of the seminar on corporate management and global practices.

Institute of Chartered Secretaries and Managers of Bangladesh (ICSMB) organised the daylong conference. A large number of professionals from India, Pakistan, Kenya, Sri Lanka and Bangladesh took part.

The speakers also suggested necessary amendments to the existing companies' act and securities laws to recognise the profession of company secretaries.

Referring to the mandatory regulation in some Commonwealth countries to appoint company

secretaries for limited companies, Law and Parliamentary Affairs Minister Moudud Ahmed said, "Personally I feel the 'Bangladesh Chartered Secretaries Bill' should have been transformed into an act in the meantime."

"But in the meantime, as I know, substantial progress has been made and I do hope that the bill will be passed by the parliament in the coming session within the tenure of this government," he added.

The minister also said the Securities and Exchange Commission (SEC) has issued corporate governance guidelines, which can help develop a good corporate culture in the country.

Moudud said, "Without good management you can't have good governance. And in this context, corporate secretaries are key to ensuring good governance."

Md Abdul Karim, commerce ministry secretary, Faruk Ahmad Siddiqi, chairman of Securities and Exchange Commission (SEC), HM Choraria, president of International

Federation of Company Secretaries (IFCS), and Mohammad Sanaulah, president of ICSMB, were also present at the inaugural session.

ICSMB president said, "The draft of Bangladesh Chartered Secretaries Act remains pending with the Cabinet Division for a long time, hindering the practice of corporate governance." He urged the government to take proper initiatives to pass the bill soon.

Commerce ministry secretary said corporate governance is aimed at the sustainable development of the company by following best management practices, compliance of laws, and ethical standards.

He said, "Good corporate governance encompasses the interests of not only the shareholders but also many stakeholders."

"The failure of a number of corporations in the US during last few years has become an eye opener for the global corporate researchers," he added.