

'Taxes, interest rates too high for industries'

By Staff Correspondent

A package of compensating measures is needed to increase private investment in Bangladesh, eminent economist Lord Meghnad Jagdish Chandra Desai said at a press briefing yesterday at the World Bank Resident Mission.

Desai, who is also a professor of the London School of Economics, said the industrial sector in Bangladesh is now burdened with various types of direct and indirect taxes.

The interest rate on bank loans is also too high to pay for the industries, he said, adding all these have been seriously affecting the profitability of the country's industrial units.

The Indian-born British economist, however, lauded the reform programmes being implemented by the government, saying Bangladesh is far ahead of the other South Asian countries in implementing the reforms.

Replying to a question regarding the retrenchment of employees under the structural adjustment programme, Lord Desai said although people would lose their jobs for implementing the programme at the initial stage, it would create employment opportunities for a large section of people in the long run.

He said the present employment system in Bangladesh has not been creating surplus. "The reforms are needed to create that surplus," he added.

In South Asia, a large industrial sector has developed in the public sector and a large number of people were employed there. But the industries could not attain profitability. Reforms are needed to make those industrial units profitable, he observed.

"Now is the time for



Lord Meghnad Desai

th rate, Desai said there is no reason why a double-digit growth rate cannot take place in Bangladesh.

Stressing the need for an outward looking economic policy, he said the South Asian countries have been lagging far behind the South East Asian countries because of inward looking economic policies.

About integration of the South Asian economies, he said this is inevitable. The sooner this happens the sooner the countries would be benefited.

Referring to Bangladesh's relations with India, he said the country has less obstacles to overcome for cooperation with India than Pakistan. There is no problem in South Asia, be it the Kashmir issue or the Farakka problem that cannot be solved if there is a political will to remove the irritants.

Sangskritik Jote memo to PM

By Staff Correspondent

Faiz Ahmed, the president of the Sammilito Sangskritik Jote, a federation of different cultural organisations, yesterday called on Prime Minister Khaleda Zia at her office and handed over to her a memorandum containing four proposals aimed at promoting the country's cultural activities.

The proposals include: scrapping of all black laws regulating arts and culture, including the Performing Arts Control Act, the Film Societies Act and the laws controlling the staging of jatra; granting autonomy to Radio and Television and allowing the electronic media to express the views of different politico-socio-cultural groups; setting up a National Auditorium for Theatre, a National Art Gallery and a Film Institute.

The PM told the Jote chief that her government was aware of the issues and would consider the proposals, the press release issued by Mafidul Haq said.

FM goes to SA May 8

Foreign Minister ASM Mostafiz Rahman is expected to represent Bangladesh at the oath-taking ceremony of the new president of the multi-racial democratic South Africa, reports UNB.

Mostafiz is scheduled to leave Dhaka for Pretoria on Sunday, official sources said yesterday.

CHT talks

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rounds of talks held under this government, today's dialogue has been very brief — lasting only two hours till 2 pm.

A 5-member Shantibahini team headed by J B Larma represented the tribal refugees.

The government side was led by the Communications Minister Oli Ahmed.

During today's talks both parties agreed to maintain the peace in the CHT, Oli Ahmed told newsmen.

He said that several more rounds of talks with the rebel leaders would be held during the ceasefire period.

"In today's meeting we have had detailed discussion on various aspects of the issue," the minister said.

Replying to a question, the minister claimed 80 per cent progress so far over the seven rounds of talks.

"It is a matter of happiness for all that the present democratic government has been able to ensure a peaceful atmosphere in the CHT," the minister added.

Turning to the next phase of repatriation of the Chakmas, he hoped that the rest of the refugees would come back to their homeland "very soon."

In reply to another question the minister flatly rejected any need for amending the Constitution for resolving the tribal issue.

Peace must for export: Khaleda

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real growth and prosperity. "We are now on the threshold of the 21st century. This coming century will witness stiff competition in commerce and industry," she said.

To survive in this competition, the country has to move forward with caution and farsight and must build up adequate infrastructure for export industries.

Begum Zia called for taking a vow to achieve national progress and prosperity through trade — not aid.

She said her government has attached top priority to setting up export-oriented industries and providing all necessary supports to strengthen the private sector. It is also trying to promote market economy and create a conducive atmosphere for foreign investment.

Referring to her recent visit to Japan, Begum Zia said she had invited the Japanese to invest in Bangladesh and "we have got positive response and it's a positive aspect for country's industrial investment scenario."

Recalling the past glory of Bangladeshi textile, Begum Zia said, "We have to regain that glory. We have to develop the textile sector to accelerate the industrial revolution."

She said a remarkable progress has been made in the country's apparel industry during the past few years and presently 63 per cent of export-earnings come from this sector.

The Prime Minister thanked the entrepreneurs for employing 85 per cent female workers in the apparel sector and said, "Women's participation in nation building efforts will ensure balanced development in the country."

Begum Zia said a large portion of export-earning is spent on importing accessories and foreign exchange can be saved if these accessories are produced locally.



A UN helicopter monitors the area along the Bosnian-Serb frontline near Sarajevo airport yesterday. The UN suspended all UNHCR flights going in and out of the besieged capital after Serb snipers shot at two planes coming into Sarajevo yesterday. — AFP photo

ADB assistance to private sector insignificant: Saifur

NICE, France, May 5: Finance Minister M Saifur Rahman has reiterated the call to reduce the floor limit of private sector investment in the developing countries from 2 million US dollars to 500,000 US dollars, reports BSS.

In a statement at the 27th annual meeting of the Board of Governors of the Asian Development Bank ADB here yesterday, the Finance Minister also urged the Bank to raise its equity participation for flourishing private sector in the member countries.

The Finance Minister pointed out that the ADB's assistance to the private sector in Bangladesh was almost insignificant.

He, however, welcomed the recent approval by the Bank of 20 million US dollar investment in the Asian Infrastructure Fund (AIF) to mobilise long-term risk capital for infrastructure projects of DMCS.

"We are also happy to note that at least 85 per cent of the AIF fund will be invested on such projects in lower income countries."

The Finance Minister said Bangladesh had been continuing its exercises to provide an enabling environment for promoting private sector investment. He said more sectors have been opened up to private investment in Bangladesh. The new sectors included energy, power, telecommunications and even air transport.

He said that the country's tariff structure had been rationalised and an export development action plan is under implementation. Significant progress has been made in reform of financial sector including legal, institutional and monetary policy reforms, he added.

The Finance Minister said the Securities and Exchange Commission has been made

fully functional to facilitate the development of the capital market.

He said the privatisation board has been given complete operational autonomy and the currency has been made fully convertible for all international current transactions. Bangladesh had already accepted obligations under the Article VIII of the IMF, he added.

The Finance Minister said Bangladesh was now standing on the threshold of rapid economic growth following transition from an authoritarian to a democratic system. The government has been striving to bring an upturn in the economy addressing the macro-economic and structural problems. This has resulted in significant macro-economic stability, he added.

The Finance Minister said the government has been able to reduce the fiscal deficit. The overall budget deficit has been contained at around 5 per cent of the GDP from 8 per cent in 1990 and the current account deficit has been reduced to 2.6 per cent from 7 per cent.

He said, the domestic savings rate has stood at 7.1 per cent of the GDP. The investment-GDP ratio for the current fiscal year is 14.5 per cent compared to 10 per cent in 1990. "We hope to raise this to 16 per cent in the next year," Saifur said.

The Finance Minister said increased self-reliance has been achieved in financing the Annual Development Programme (ADP). The government was successful in accelerating domestic resources mobilisation through various measures including expansion in the coverage of the Value Added Tax (VAT).

Turning to the Bank's annual report, the Finance Minister expressed his disappointment that the Bank's total

new operations approved during 1993 showed an increase of only 3.5 per cent over the previous year which is lower than the growth of 6.6 per cent of the previous year.

The net transfer of resources to the DMCS from the bank also decreased by 21 per cent in 1993, he pointed out.

Saifur said that the increasing gap between more developed and less developed DMCS of ADB was a matter of serious concern. He pleaded to increase the flow of resources to the countries which have fallen behind.

The Finance Minister referred to the recommendations of the task force on improving project quality and said, "We welcome the suggestion for decentralisation of the systems and practices of the bank. Such flexibility, decentralisation and delegation of authority would definitely improve the project quality," he said.

He reiterated his call that the bank should delegate more responsibility and authority to the resident offices with the provision for engagement of more national staff.

About the technical assistance being provided by the bank, the Finance Minister said that the need for such technical assistance should be reviewed carefully to ensure the optimum quantum of technical assistance and also to make it more productive.

There is no evidence to show that the use of consultants has achieved the desired transfer of technology to the DMCS, he said. In view of this experience, this process should be sparingly used. Borrowing countries should have a greater say in the selection process and in accordance with the bank's policy, the use of local consultants should be increased, Saifur demanded.

marked that frequent strikes on trifling matters impeded in export performance, national economic progress and industrial production.

This type of climate generates doubts among the foreign buyers about the fulfilment of the garment exporters' business commitment to them, he added.

The BGMEA president informed that in 1993 export earnings from garments rose to 1.5 billion US dollars, marking an increase of 23 per cent over the preceding year.

Redwan proposed the setting up of a trade council and sending of official delegation to South Africa to help the country's exporters to enter into the South African market, establishment of an independent ministry of foreign trade and export to accelerate export-led growth and setting up of an export bank.

Heatwave claims one in Sirajganj

SIRAJGANJ, May 5: An old man died from heatwave at a village in Kazipur thana of the district today, reports UNB.

GPO

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one employee of the GPO said. "But we can clear the parcels if the addressee brings along the registration number of the mail," he said.

With the accumulation of undelivered parcels over the past several months post office employees now often find it hard to locate and sort all the packets.

"This process had always been slow. But we never had such a huge stockpiling of parcels for lack of prompt customs clearance. It means people living abroad are sending more parcels to Bangladesh nowadays. But the Postal Department is not adequately staffed to cope with the situation," said one source.

The Midnight File

Govt prosecutor in 2 cases against Murtaza resigns

KARACHI, May 5: A special government prosecutor in two cases against Murtaza Bhutto, the jailed brother of Prime Minister Benazir Bhutto, resigned today, officials said. Prosecutor Ilyas Khan told Justice Ali Ahmed Junjo, the judge hearing the cases, that he was resigning to "save myself and the authorities from embarrassment for the delay which has been caused (in the disposal of the cases), the official Associated Press of Pakistan reported, says AFP.

US woman whipped in Iran

TEHRAN, May 5: An American woman living in Iran has been publicly whipped 80 times after being found guilty of promoting prostitution in the Islamic republic, a newspaper reported today. Mary Jones, 35, was arrested "in a drunken state" two weeks ago near Shemiran in northern Tehran and confessed to "being in the business of corrupting the young throughout Tehran," The Daily Kayhan said, reports AFP.

Huda for balanced flow of information

ATLANTA, USA, May 5: Information Minister Nazmul Huda has stressed the need for balanced flow of information amongst developed and developing countries, reports BSS.

Addressing a panel discussion on "The Impact of Satellite TV in Asia" at the CNN Centre in Atlanta Wednesday, Huda said the coverage of international events by powerful transnational news agencies and media organisations on whom the developing countries depend, are not always without bias.

Food crisis

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district, according to officials at the Relief Ministry control room in Dhaka.

Besides, Tk 50,000 as house-building grant, Tk 50,000 in cash, 25 metric tons of rice and 50 tons of biscuit were sanctioned. As gratuitous relief for the affected in four unions of Bandarban district, they said.

Relief so far sanctioned for Cox's Bazar district is: Tk 10 lakh as house-building grant, Tk 2.5 lakh in cash, 402 metric tons of rice, 25 metric tons of wheat, 4500 pieces of saris, 4556 pieces of lungis, 5892 tins of biscuit and 2000 bundles of CI sheets.

In addition, 5390 kilograms of chira, 83 kg of gur, 4162 pounds of bread, two tons of pulses, 242 tons of polythene sheetings, 23,925 pieces of utensil, 1000 jerricans and a good number of hurricane lanterns, tents and matches were also sanctioned.

The total sanction for Bandarban district so far is: three metric tons of rice, 25 metric tons of wheat, Tk one lakh in cash, 50 tons of biscuit and Tk 50 thousand as house-building grant.

Road accident

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died on the spot. Swapan, 35, and Sumon, 35, succumbed to their injuries at the DMCH.

Of the injured, 13 were admitted to the DMCH while others were sent to the Narayanjan General Hospital and different private clinics.

Among the injured admitted to the DMCH, ten were identified as Aminul, Liton, Bachchu, Abul Hossain, Hazara, Surjaban, Dulal, Hossain, Abdul Amin and Afia.

It is believed the accident happened due to engine failure of the bus.

Rugpanj police said the bus driver escaped shortly after the accident. A case was lodged with the Rugpanj police station.

Sergeant killing: Another suspect arrested

By Staff Correspondent

Another suspect, Mohammad Abdul Aziz, in the murder of police sergeant Hasanul Farhad was sent to the Dhaka Central Jail yesterday.

Detective police arrested Aziz from the city's Dholaikhal late Wednesday night.

Aziz was produced before the Chief Metropolitan Magistrate's Court yesterday from where he was sent to the jail. The magistrate rejected the remand-prayer by police.

Hasanul Farhad was killed during cross-fire between two groups of armed men at the Jagannath University College on March 5.

Hasina

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come forward with helping hands to ameliorate the sufferings of the cyclone-battered people."

Party central and local leaders including Tofael Ahmed, MP, Mostafa Jalal Mohiuddin, Ataur Rahman Khan Kaisar, Mostaque Ahmed Chowdhury, MP, were present.

Sheikh Hasina will visit cyclone-hit areas of Teknaf tomorrow.

UNB adds: Sheikh Hasina yesterday congratulated PLO leader Yasser Arafat on achieving self-rule of Palestinians.

Crimes

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dicts," said the police officer preferring anonymity.

Two students — Poran and Milon — were shot dead in a street battle on May 7 when the Opposition gave a call to siege the Bangladesh Secretariat.

Zahid Hassan, a transport worker, was killed at Sayedabad, Moghul, a truck driver, at Tejgaon and Moazzem Hossain Koli at Khilgaon during the armed battles in the areas.

Another college student, Mithu, was beaten to death in the F H Hall of Dhaka University which led to several violent demonstrations in the following days.

The students of an educational institution at Mirpur clashed with police over the possession of a disputed land early last month leaving over a hundred people injured.

Five people committed suicide in the city last month. Four of them were young girls and wives. But police could not make any headway in their investigations to unravel the reasons of suicide. No progress was made in the cases of those who were found mysteriously dead.

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ঢাকা ওয়াসা বিজ্ঞপ্তি

ঢাকা ওয়াসা গ্রাহক জরিপ কর্মসূচী বাস্তবায়নের মাধ্যমে ঢাকা মহানগরী ও নারায়ণগঞ্জ পৌর এলাকায় বিপুল সংখ্যক অবৈধ/রেকর্ড বহির্ভূত পানি/পয়ঃ সংযোগ চিহ্নিত করিয়াছে। এইসব সংযোগসমূহ যথারীতি নিয়মিত করিয়া বিল জারীর ব্যবস্থা গ্রহণ করা হইয়াছে। বর্তমান নিয়মিত হিসাবসমূহের অনুকূলে বিল জারীকরণসহ উপরোক্ত বাড়তি কাজ বর্তমান জনবল দ্বারা যথাসময়ে সম্পন্ন করা সম্ভব নহে। কাজেই সার্বিক জনস্বার্থে ৩১শে মে, ১৯৯৪ইং এর মধ্যে বিল জারী ও সম্মানিত গ্রাহকবৃন্দের নিকট পৌছানোর নিমিত্তে চলতি মার্চ-এপ্রিল ও মে-জুন '৯৪ বিলিং সাইকেলের বিল পূর্ববর্তী বিলিং সাইকেলে সংগৃহীত রিডিংয়ের গড়ে জারী করিবার সিদ্ধান্ত গ্রহণ করা হইয়াছে।

জুলাই-আগস্ট '৯৪ইং বিলিং সাইকেলে প্রকৃত মিটার রিডিং সংগ্রহ করিয়া উল্লিখিত গড় রিডিং ভিত্তিক বিলসমূহ সমন্বয় করিয়া বিল জারী করা হইবে।

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ওয়াসা-জরতঃ ১৪০/৯৪

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ঢাকা ওয়াসা