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Country's automobile trade comes to a standstill due to SRO

By Govinda Shil

Country's second-hand automobile business has come to a virtual standstill following the government's issuance of Statutory Regulatory Order (SRO) from December 12 last year, importers of the reconditioned vehicles said.

To bring back vibrancy in this sector, the Bangladesh Reconditioned Vehicles Importers and Dealers Association (BARVIDA) wrote a letter to the National Board of Revenue (NBR) Monday suggesting reintroduction of Pre-Shipment Inspection (PSI) system as it has been proved as a quick delivery system.

The government replaced the PSI, introduced last year, by previous "tariff value" system apprehending that PSI system was being misused by a section of importers.

According to PSI, auto

importers were to pay duties on the basis of "Clean Report on Findings (CRF)" which helped to shorten the customs clearances.

BARVIDA president Abdul Huq said if PSI is misused, it is the concerned department's duty to identify the dishonest importers and take legal actions against them.

"Our sales have declined drastically," said an auto-seller at Kakrail of the city. He said, after the issuance of SRO, the price of imported vehicles increased substantially as the duty was increased adequately.

The businessman said although no car has been released after SRO was introduced but it created panic among the importers which led them to raise prices.

BARVIDA said the gov-

ernment could not yet develop an up-dated information system regarding the recent world price of automobiles.

"We paid higher duties when 'tariff value' system prevailed because of lack of proper information available to the customs officials," said a car dealer adding customs officials used to fix price of an imported car depending on speculations.

The demand for reconditioned autos increased sharply following the decline of duty on imported vehicles from 160 per cent to 101 per cent within the current budget, importers said.

"At least 50 per cent of the imported autos never reach the show rooms for display and are sold at the port-side," observed another

auto-dealer. He said, these autos mostly cars were being imported without proper documents and by evading taxes. They have no workshop for post-sale services.

BARVIDA president said, our automobile market has been dumped by some dishonest importers who are not the members of the Association.

He suggested that the Association membership should be made compulsory and BARVIDA should be given some regulatory measures to make the business fair.

Importers, however, hoped that the prices of reconditioned car might soon decline.

The president, however, demanded punishment of the unscrupulous persons involved in this business.

Input crisis hits farming in Comilla

COMILLA, Jan 16: At least 71,928 hectares of land could not be brought under cultivation during the current season due to fertilizer crisis, shortage of irrigation facilities and price hike of other agricultural inputs, reports UNB.

Official sources said of the total 2,10,740 hectares land in 12 thanas about 1,69,812 hectares have been earmarked for cultivation of boro paddy, potato, mustard and winter vegetables.

Of the total, 1,05,500 hectares of land have been brought under high yielding and local varieties of boro paddy with a production target of 3,36,750 metric tons while 18,000 hectares have been brought under wheat cultivation with a production target of 36,000 metric tons.

The potato production target in 15,000 hectares of land has been fixed at 1,00,080 metric tons.

The rest 31,012 hectares of land have been brought under the cultivation of mustard, winter vegetables, different types of pulses, groundnut and spices.

Meanwhile, Bangladesh Agriculture Development Corporation distributed agricultural ingredients to the farmers at fixed prices.

Local farmers, however, said the corporation supplied seeds and other inputs which could meet only five per cent of their demand.

They said they are to buy necessary fertilizers, seeds and insecticides at exorbitant prices from the market.

Uplift project in Lalmonirhat

LALMONIRHAT, Jan 16: The activities of socio-economic development projects have got underway in the district after successful implementation of mass literacy programme, reports UNB.

As part of the programme, a four-day training programme for the bankers involved in the activities began at the RDRS training centre on Monday.

Deputy Commissioner and president of the project Kazi Farid Ahmed attended the function as chief guest while representatives from various NGOs, banks and other organisations were present.

Thirty officers of Sonali, Janata and Rajshahi Krishni Unnayan Banks have been taking part in the training who will in turn train up the supervisors of the banks for distribution of credit among 1,84 lakh families of the district living under poverty line.

A further 350 million dollars of loans will be made available if the initial cooperation is successful, it quoted National Environmental Protection Agency (NEPA) official Liu Yi as saying Monday at a two-day Sino-US conference on tackling the river's pollution.

NEPA pollution control

Department Deputy Director

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Executive Chairman of Board of Investment Dr Tawfiq-e-Elahi Chowdhury, BB explained the government investment policies and strategies to the Foreign Secretary and few Bangladesh Ambassadors abroad at a meeting held at the Board of Investment office yesterday.

\$400m WB loan for China

BEIJING, Jan 16: The World Bank is to grant loans of up to 400 million dollars to support China's three-billion-dollar project to clean up the severely polluted Huaihe river by 2000, a report said today, reports AFP.

A loan of 50 million dollars has been allocated for 1997, to be spent on building waste-water treatment plants in the river system and helping local enterprises to renovate production facilities and techniques, the China Daily reported.

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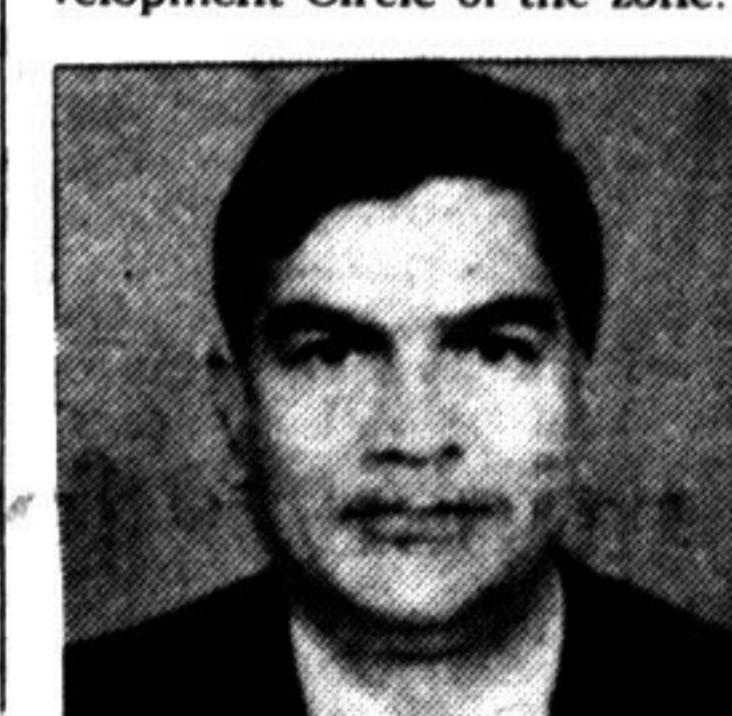
PDB Central Zone realises Tk 83 lakh electricity bills

2578 electricity connections were mapped for non-payment of outstanding bills amounting to Taka 83 lakh 24 thousand in Central Zone of the Power Development Board (PDB) during the month of December '95, says a press release.

Of the total number 1207

connections were disconnected for non-payment of

Taka 27 lakh 81 thousand in Sylhet Circle, 921 for non-payment of Taka 27 lakh 63 thousand in Mymensingh Circle and 450 for non-payment of Taka 27 lakh 80 thousand in Planning and Development Circle of the zone.



New MD of Nepal-Bangla Bank

The Board of Directors of Nepal-Bangla Bank Ltd in its 20th meeting held on January 12 at Kathmandu, Nepal, confirmed the appointment of Kazi Khalilur Rahman as the Managing Director of the bank, says a press release.

Before joining Nepal-Bangla Bank Ltd, a joint venture bank between IFIC Bank Ltd and Nepalese sponsors, Kazi Khalilur Rahman worked in different positions in IFIC Bank Ltd.

He started his banking career from Karachi, Pakistan by joining Habib Bank Ltd and continued to work with Agrani Bank Ltd (Previously Habib Bank Ltd) till mid-August 1983.

Paris to announce new steps to boost econ growth

PARIS, Jan 16: The French government will announce some new measures for stimulating economic growth on a time-table to be coordinated with Germany, a French government source said yesterday, reports AFP.

The steps will be announced some time between the end of this month and mid-February, the source said.

The news came just hours after French President Jacques Chirac told correspondents that France and Germany must coordinate their policies to lead Europe into a cycle of growth. He had discussed this question a few days ago with German Chancellor Helmut Kohl and initiatives would be taken, he said.

Indian economy set to grow by 5.8 pc

NEW DELHI, Jan 16: India's economy is set to grow by 5.8 per cent year-on-year in the fiscal year to March 31, 1996, a research body said yesterday, reports AFP.

Signs of a continued high rate of industrial production are also visible in the current financial year, the National Council of Applied Economic Research (NCAER) said in its quarterly report.

Indian industry grew at a rapid pace of 10 per cent year-on-year during the first three quarters of the financial year, it said.



MA Samad, Convenor of the Education sub-Committee of Bangladesh Insurance Association, addressing the participants of the eight-week basic training course on general insurance organised by the association on Monday.

ADB lending, equity investments rise by 50pc from last year

MANILA, Jan 16: Asian Development Bank (ADB) lending and equity investments rose 50 per cent from the previous year to 5.6 billion dollars in 1995, despite a budget crunch, bank President Mitsuo Sato said yesterday.

He said the bank's "most immediate and the most critical" challenge is the replenishment of latest five-year programme of the Asian Development Fund (ADF), which runs dry at the end of 1996.

Total lending to both private and public sectors totalled 5.5 billion dollars, a 49 per cent increase from 3.6 billion dollars in 1994. Technical assistance grants in 1995 amounted to 144 million dollars.

Reluctance from the United States and European donors to contribute to the fund has endangered its survival in the next five years starting in 1997.

The ADF is crucial to poverty alleviation because it is lent exclusively to Asia's poorest countries with only a one per cent annual service charge and up to 40 years repayment terms.

It funds socially relevant

projects in health, education and the environment — areas most often ignored by other institutions because of low return on investments.

Sato acknowledged that the increased access of countries to private financing has prompted the bank to gradually shift its role from being a mere lender to a "catalyst" for development and refocus attention on social projects.

"Given the increase in the role of private capital across national borders, we should be shifting from just funding the project to a more catalytic role," he said. "But that does not mean we will stop lending."

The ADB is a development finance institution engaged in promoting the economic and social progress of Asia-Pacific nations. It has 56 members, with Japan and the United States being the biggest contributors.

The weekend poll of the Nihon Keizai Shinbun, a major business daily, showed 72.4 per cent of respondents saying financial institutions should bear the burden and the use of taxpayers' money was "not necessary."

LONDON, Jan 16: Britain's banks and financial institutions are expected to make further sharp staff cuts in the next three months despite an improvement in their profitability, according to a survey published yesterday, reports Reuter.

The quarterly survey of 286 companies, conducted by the Confederation of British Industry (CBI) and Management Consultants Coopers and Lybrand, showed business optimism had improved and a continuing efficiency drive was boosting profits.

But companies expected to continue laying off staff in the face of tough competition.

"Employment in financial services fell in the fourth quarter of last year at its sharpest rate for two years," the two organisations said. "Further more pronounced job cuts are expected over the coming three months."

CBI Associate Director of Economic Analysis Sudhir Junankar told a news conference that respondents to the survey saw further scope for efficiency gains in which staff costs, a major component of operating costs, would play a central role.

"Companies have responded positively to the strong pressure on their margins by cutting operating costs through employment reductions," he said.

Unveiling preliminary plans for a campaign to sell the euro to the European Union's 370 million citizens, Finance Commissioner Yves-Thibault de Silguy said Germany, the EU's locomotive economy, was simply experiencing a cyclical pause and was not about to slip into recession.

"The fundamentals are safe," he said, citing evidence of high profitability and investment rates as indicative that the current slowdown was only a temporary one.

The price of subway, tram and trolleybus rides rose to 30-drams — about seven cents. The average monthly wage in Armenia is 3,000 drams, or about 7.40 dollars.

Government spokesman Vladimir Manoyan said the state has no money to cover transportation expenses.

The survey found that pay inequities varied by industry

and position. Women health

managers at hospitals earned about 30,212 to men's 44,200 dollar, or 68 per cent. That was a decrease from 1994, when women in those positions earned 79 per cent of men's wages.

Harris said she could not explain why salaries decreased in some areas.

The news for women was

brighter in other fields, with some women professionals earning more than their male co-workers.

For instance, a woman chief financial officer at a university or college earned 104,506 dollar, compared with her male counterpart's 95,004 dollar, about 110 per cent as much. But a woman chief executive officer at a university typically earned 138,800 dollar, to a man's 155,500 dollar, or 89 per cent.

"There are very few women who make it into those positions and those who do are highly, highly qualified," Harris said. "The problem for those women is not pay equity, it's getting there in the first place."

The magazine survey, examining the salaries of workers at public companies, found the top paid woman in corporate America is Linda Wachner, President and CEO of Warnaco/Authentic Fitness Corp, who made 3.5 million dollar in salary alone.

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