



BFFEA welcomes  
new fisheries  
minister

Star Business Report  
Bangladesh Frozen Food Exporters Association (BFFEA)  
President Mohammad Golam Mostafa congratulated ASM Abdur Rob on his taking over the charge of the Ministry of Fisheries and Livestock.

In a statement, he also recalled the contribution of outgoing state minister Shatish Chandra Roy to the development of the fisheries sector.

He hoped that the new minister would contribute a lot and implement the decisions taken earlier for further improvement of the sector.

Russia okays plan  
to overhaul  
car industry

MOSCOW, Dec 28: The government yesterday approved a plan to overhaul Russia's car industry by 2005 in cooperation with foreign auto makers. Interfax agency said, reports AFP.

By that date, the local market is expected to distribute 1.85 million cars, 25 to 30 per cent of which will be imported, it quoted Deputy Economy Minister Sergey Mitin as saying.

He emphasised Russia's interest in cooperating with foreign auto makers Fiat, Ford, Renault and Volkswagen.

Five joint ventures will be set up, Mitin said. He did not give details.

Steps would also be taken to bar imports of old cars on the Russian market, he added.

Mitsubishi Heavy  
manufacture  
plane parts

TOKYO, Dec 28: Japan's Mitsubishi Heavy Industries Ltd is to take part in aircraft production with European plane maker Airbus Industrie, reports said yesterday, says AFP.

Mitsubishi Heavy hopes to reach a basic accord with Airbus Industrie next year and the Japanese company was expected to start by making aircraft parts, the Asahi Shimbun newspaper and Jiji press said.

Mitsubishi Heavy, Japan's largest heavy machinery maker a major defence contractor, was also looking at taking part in Airbus Industrie's plan to develop next-generation A3XX aircraft, the Asahi Shimbun said.

A3XX will have a seating capacity of 550 passengers and Airbus Industrie plans to launch it in 2004 to compete with the Boeing 747, the reports said.

Mitsubishi Heavy was seeking new lines of business as it saw little increase in the number of government defence contracts in the future due to the end of the cold war, the daily said.

The plan to collaborate with Airbus Industrie is "necessary for the company's survival in the industry," a Mitsubishi Heavy official was quoted by the daily as saying.

The company's decision was also based on its judgement that Airbus was more aggressive than Boeing Co. of the United States in winning contracts and developing new planes.

The company could not be reached for comment.

Of Japan's major heavy machinery makers only Kawasaki Heavy Industries Ltd currently has a contract with Airbus, with the rest enjoying closer ties to Boeing, the newspaper said.

Citibank-HK, DHL to widen document collection services

Citibank Hong Kong recently announced the broadening of its document collection service for cash and trade customers through a strategic partnership with DHL, says a press release.

The bank provides a customised pick-up service for customers from over 50 convenient locations in Hong Kong through DHL. Customers can drop off their banking instructions and cash and trade documents at these locations for delivery to Citibank at no charge. This is the first arrangement of its kind in Hong Kong.

Citibank can also arrange for daily pick-up of documents from customers' offices. Customers can choose either automatically daily pick-up from their office or on-call pick-up service via phone call.

TC Chan, Head of Global Corporate Banking for Citibank Hong Kong said, "Citibank is pleased to be a DHL partner, a leader in air express services, in enhancing our document collection services for our customers."

We recognise how demanding today's business environment can be, therefore we are offering an express collection service tailored to meet the needs of companies as part of our ongoing commitment to better serving our customers."

Christine Lam, Head of Global Transaction Services for Citibank Hong Kong, added, "We have already made a series of improvements to our cash and trade services so far this year, including the introduction of electronic forms; extended service cut-off time; and the launch of an integrated customer hotline for inquiries."

## Jute exporters to get cash subsidies

The government has decided to provide cash subsidies against export of jute products of all state-owned and private mills to give a nudge to their sluggish going, reports UNB.

Officials said the rate of subsidy would be 10 per cent of the BOB prices of exports.

The government measure came against the backdrop of a slump in jute export during the current fiscal year for problems in international markets.

Sources said exports reduced because of US dollar crisis in Iran, Indonesia, Turkey, Brazil, Pakistan and China as these countries are the major importers of Bangladesh jute and jute products.

The items getting the subsidies are hessian, sacking, CBC, yarn, twin, jute carpet, mat, tape, geotextile, bag and rope.

Complying with the bailout decision taken by the government, the Bangladesh Bank has sent funds to the head offices of

commercial banks that negotiate export documents of the jute goods produced by the local mills.

The exporting mills will apply to the negotiating branches of the banks for the cash subsidies. They will be paid the incentives immediately after the export money reaches the bank branches.

Export of raw jute suffered tremendous setbacks during the first four months of the current fiscal year (1998-99). Raw jute export fell short of target by 60.82 per cent during the July-October period.

The export of jute products fell short of targets by 11.88 per cent.

The target for raw jute exports for the four months was 40 million US dollars while the export amount was a meagre 15.67 million dollars. Jute good export target was 100 million dollars while the return was 88.12 million dollars.

While presenting his key-note paper, Jamaluddin Ahmed, General Manager, Finance and Administration of IPDC, said that many of the country's banking problems could be avoided through better disclosures of their financial statements.

"I have been told that foreign investors will not come to the country unless we allow foreign Chartered Accountant (CA) firms to ensure transparent accounting of companies," said Golam Rahman, chief of the Banking Division and Additional Secretary of the Ministry of Finance.

"I don't think that our CA firms are less qualified. They must face competition from abroad," he said.

The seminar on 'IAS 30 Disclosures in the Financial Statements of Banks and Similar Financial Institutions' was organised by the Institute of Chartered Accountants of Bangladesh (ICAB) at its audito-

rium yesterday.

Rahman informed the seminar that a committee had already been constituted to implement the International Accounting Standards (IAS) 30 in the banking sector. "If implemented, it will increase transparency and accountability in the banking system."

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Ahmed said that the auditing of a bank was a complicated task which required specially-trained auditors. Yet banks employ auditors who often lack required qualifications, he added.

He also mentioned that the NCBs and Bangladesh Bank

## Seminar on audit practices told

## Banking sector needs Int'l Auditing Standards for transparency

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