

Bid to stop garments quota forgery

EPB to participate in US e-visa info system

The Export Promotion Bureau (EPB) has decided to participate in the Electronic Visa Information System (ELVIS) to ensure transparency and accountability in garments quota distribution for exports to USA, reports BSS.

Presiding over the meeting of EPB management board, Commerce and Industries Minister Tofail Ahmed yesterday said the government is determined to arrest any manipulation in the process of getting visa for garments quota for export to USA.

It will help ensure transparency, retain our good images, he said, adding, the on-line connection with the US customs authority would avail the government and BGMEA to day to day monitoring the garments export under quota.

He asked the EPB and BG-

MEA to complete the process for participating in ELVIS within next three weeks.

The minister said the government would provide all facilities to the businessmen so that genuine exporters would be able to increase their exports.

He said, our exporters have proved their efficiency in maintaining positive growth in the last financial year despite devastating flood and global economic recession.

He said government will not allow any corruption and forgery from any corner. He said one forgery case could affect total export and it was happened on issuance of GSP certificate in early nineties. That is why, we are introducing ELVIS, he added.

Former advisor to the care-

taker government Syed Manzoor Elahi, FBCCI president Abdul Awal Minto, BOMEA president Anisur Rahman Sinha, Commerce Secretary Sayed Alamgir Farouk Chowdhury, EPB Vice Chairman A B Chowdhury, and representatives of the concerned ministries and associations were present at the meeting.

Meanwhile, Export Promotion Bureau (EPB) has opened up the web pages for wider publicity of the exportables of Bangladesh around the globe through Internet. The number of the web site is <http://209.235.35.64/epb>.

Commerce and Industries Minister Tofail Ahmed inaugurated the web site in the conference room of the EPB here yesterday.

Through the web pages, the

users will get through the first hand information about the history, culture, heritage, agriculture and industry of Bangladesh including the latest information about the commodity-wise export and import data and other economic activities of the country.

All the policies relevant to trade and investment including EXIM policy, Industrial Policy, and Investment Policy also included in the web pages.

It also includes the addresses of sector corporations, various chambers, banks and financial institutions, shipping lines, airlines, EPB, Bangladesh missions abroad, trade associations and foreign missions in Bangladesh.

Earlier, the minister presided over the meeting of the management board of the EPB.

Agriculturists urged to evolve short-duration, HYV crops

Agriculture and Food Minister Matia Chowdhury has urged the agriculturists to evolve short-duration and High Yielding Variety (HYV) crops to feed the rising population of the country, says BSS.

The minister said this while addressing the 8th governing body meeting of the Bangladesh Agricultural Research Council (BARC) in the city yesterday.

She called upon the agri-experts to introduce cultivation of cereal variety in the southern region as an additional crop to help survival of the farmers during the lean period and suggested finding ways and means to improve pulses and initiate research activities for the expansion of nutritious jackfruit.

The meeting reviewed the progress of the 7th governing body meeting of BARC, issues relating to post-doctoral fellowship and research programme budget of Bangladesh Agricultural Research Institute (BARI) for 1998-99.

The meeting was addressed, among others, by Fisheries and Livestock Minister A S M Abdur Rab, Advocate M Rahmat Ali, MP, Agriculture Secretary Dr A M M Shaukat Ali, Executive Chairman of BARC Dr Zahurul Karim, Vice-Chancellor of Bangladesh Agriculture University Prof Mohammad Hossain and Vice-Chancellor of Bangladesh Agriculture University Prof Ashrafur Kamal.

Indian airports may handle 21m passengers by 2005

NEW DELHI, July 20: Indian airports are likely to handle 60 million domestic and 21 million international passengers by 2005, a trade body said yesterday, reports Reuters.

The PHD Chamber of Commerce and Industry (PHDCCI) said the airports were likely to handle 300,000 tonnes of domestic cargo and 1.2 million tonnes of international cargo. The trade body, which did not provide current figures, said the number of passengers and the amount of cargo handled would aggravate the existing congestion at Indian airports.

"The airports at five major destinations — Delhi, Bombay, Calcutta, Madras and Bangalore — are heavily congested. Besides international tourists, 80 per cent of domestic tourists also travel to these destinations," the PHDCCI said in a statement.

The trade body said the government should modernise some of the country's airports and invest in facilities to deal with the cargo and passenger pressure. "Government should infuse fresh investments to develop new airports, modernise important airports and upgrade some of the existing airports wherever economically feasible," the statement added.

New chairman of Green Delta Insurance



Star Business Report
Azam J Chowdhury has been unanimously re-elected chairman of the board of directors of Green Delta Insurance Company Ltd.

A Z Mohammad Hossain and Farida R Ahmed, both sponsor directors, have been elected vice-chairmen of the board of directors of the company, says a press release.

They were all elected for the 1999-2000 term. The election was held at the 154th meeting of the board held in the city recently.

Chowdhury is the Managing Director of East Coast Group of Companies, a large conglomerate active in different lines of business involving trade, shipping, power, engineering, mining, industrial ventures, real estate, finance and investment.

He is also the Chairman of Bangladesh-Norway Chamber of Commerce and Industry.

Mohammad Hossain is the Managing Director of Chandra Spinning Mills Ltd.

Farida is the Managing Director of Bengal Aviation Services Ltd. and Director of Bengal Airlift Ltd, Delta Life Insurance Co Ltd and Delta Medical Centre.

Zero tariff access to Indian market

Bangladesh yet to finalise list of 25 items

Bangladesh is yet to finalise the list of 25 items for zero tariff access to Indian market as was agreed in principle by the two governments, says UNB.

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) sent a draft list of 25 items under HS Code to the Ministry of Commerce late last month for approval.

A Commerce Ministry official told UNB Monday that the ministry had not yet decided on the list. "We're examining the FBCCI list of items on the basis of trade capacity," he said.

Bangladesh now enjoys duty free access of hilsa and jalandi saree to India. Following repeated demand from Bangladesh to allow zero tariff entry of her products, Indian government agreed to welcome 25 mutually selected items.

The items mainly include jute products, ceramic and melamine, pharmaceuticals, cosmetics and toiletries.

During the Dhaka visit of Indian Prime Minister Atal Bihari Vajpayee, June 19-20, FBCCI and Federation of Indian Chambers of Commerce and Industry (FICCI) also agreed to further expand bilateral trade on the basis of the 25 items.

Earlier, India offered tariff concessions on more than 2000 items, but due to her limited export base, Bangladesh could so far trade barely a dozen of items.

Another official of the commerce ministry said yesterday that the FBCCI list covers some 546 items under 25 HS Code items.

Businessmen put as much items as they could in the list, making it somewhat irrational, he said. There are items which have no export potentials even.

We have to sort it out and limit the list to negotiable level. We're now working on it. He said the ministry will make two lists — one for zero tariff access and another for

more tariff concessions than already offered.

The FBCCI list includes many items which have already been offered tariff concessions. "We can ask for more concessions for those items."

An expert committee is expected to take the lists to Delhi to negotiate with the Indian Commerce Ministry next month. "And then we'll have the final lists."

Meanwhile, Indian business community wanted to know from the FBCCI about the latest position of the list of 25 items.

"But we cannot respond as we're yet to get ministry's clearance," said FBCCI vice president M A Mumin.

He said they gave the Commerce Ministry an elaborate list of 25 items under HS Code. "Things will finally be decided at negotiation table," he said.

While listing items, Mumin said, they also kept in mind the trade and production capacity of the items.

Nepal drastically cuts visa fees for investors

KATHMANDU, July 20: Nepal has drastically cut visa fees for foreign investors to lure more cash, officials said today, reports Reuters.

They said investors would now pay 100 dollars for a multiple entry visa for a year, 71 per cent less than the dollar 350 charged earlier. A five-year visa would cost 250 dollars, compared with 1,500 dollars previously.

"This is to create an investment-friendly atmosphere," said Janardan Sharma, a Finance Ministry official.

The new visa fees came into effect on July 17, the start of Nepal's fiscal year.

Nepal's visa fees are among the highest in South Asia and officials said many investors, particularly those from developing countries, had complained.

India, the United States and

Norway are the top three investors in Nepal. Indian nationals do not require any visa in Nepal under a 49-year-old treaty.

Nepal, perched between Asian giants India and China, liberalised its economy in 1992, two years after multi-party democracy was established. It invited the private sector into the key economic areas of tourism, water resources and manufacturing.

Officials said total foreign investment approved by the government fell from 35 million dollars in 1996/97 (mid-July to mid-July) to 27.3 million dollars in 1997/98.

Nepal has been mired in political instability since 1994 after six unstable coalitions or minority governments collapsed, sapping investor confidence and delaying decision making.

China to change bank settlement date for Y2K

BEIJING, July 20: China's central bank plans to move the year-end settlement date for domestic banks from December 31 to December 30 to curb possible losses to the millennium bug, the China Daily reported on Tuesday, says Reuters.

"In an effort to minimise the losses, the central bank plans to move the year-end settlement to a day earlier, from December 31 to December 30," the official newspaper said.

It's necessary to adjust the settlement date since on that day it is very risky to conduct a large amount of transactions," Chen said Chinese banks, which conducted a second nationwide millennium bug test over the weekend, had also "prepared emergency measures to deal with unexpected situations."

China has said its banks, credit co-operatives and postal savings offices and insurance firms would halt operations three times between June and September for millennium tests.



Stephen Turner (2nd-L), Acting British High Commissioner in Bangladesh, called on M H Rahman (2nd-R), President of Dhaka Chamber of Commerce and Industry (DCCI), at the DCCI office yesterday to discuss issues relating to trade and economic cooperation between the two countries. Senior DCCI Vice President Sajjatz Jumma (extreme right) and Vice President Nasir Hossain are also seen.

US slaps 100 pc tariff on wide range of EU products

WASHINGTON, July 20: The United States yesterday announced it would impose a 100 per cent tariff on a wide range of European products in retaliation for the EU ban on US hormone-treated beef, says AFP.

Roquefort cheese, goose-liver pate, and truffles were among the products targeted after the World Trade Organisation ruled that Washington may suspend tariff concessions covering EU trade in an amount of 116.8 million dollars per year, the US Trade Representative's office said in a statement.

Duties also will be slapped on fresh and frozen meat from bovine animals, pork, fruit juice, mustard and other products. "Imposition of the duties — which will double the goods' prices — will be effective on goods entered or withdrawn from warehouse on or after July 29, 1999, the USTR said.

US Special Trade Negotiator

for Agriculture Peter Scher said earlier this month that the move's "main objective" would be to "maximize our leverage over the EU."

Scher noted that by the end of the month the European Union would face over 300 million dollars in US and Canadian retaliatory tariffs in connection with the beef and banana disputes.

"That will have an effect," Scher said, adding that the EU "will now have a big scarlet 'F' for their failure to comply with the WTO."

Scher added that the administration hopes that the significant amount of retaliatory tariffs now facing the EU, in combination with the European Commission's new leadership, would force the EU to come into WTO compliance.

The mid-July WTO ruling was not seen as an unadulterated victory for North America, as the damages allowed are

much less than what the two countries had requested.

The amount retained is half of what the United States requested and a seventh of what Canada wanted," French foreign ministry spokesman Bernard Valero said in Paris after the WTO decision.

The EU, which puts US losses linked to the beef ban at 53 million dollars, took the ruling as proof that the two North American countries had inflated their losses.

The United States originally asked to impose tariffs amounting to up to 202 million dollars on EU products, claiming that was equivalent to its estimated losses related to the beef ban.

The battle over beef began when the EU refused to comply with a WTO directive to lift its ban on US and Canadian beef by May 13. Washington asked the world body for permission to slap European imports with 100 per cent duties.

Microsoft profit up by 62 pc

REDMOND, Washington, July 20: World computer leader Microsoft reported an excellent year yesterday, but tempered its success with a note of caution regarding next year's results, reports AFP.

The company reported Monday a profit of 2.2 billion dollars for its fiscal quarter ended June 30, up 62 per cent from 1.357 billion in the same period a year earlier.

Per-share earnings amounted to 40 cents, up from 25 cents a year earlier and ahead of Wall Street estimates of 36 cents per share.

Revenue for the fourth fiscal quarter was 5.76 billion dollars, a 39 per cent increase over the comparable quarter in fiscal 1998.

The software giant reports its full fiscal year ended with a profit of 7.79 billion dollars on revenues of 19.75 billion.

ECB report says

Internet banking to be a major growth area in coming years

FRANKFURT, July 20: Banking over the Internet will be a major growth area in coming years, with financial firms making growing use of this medium to offer increasingly sophisticated products, the European Central Bank said, reports Reuters.

In a report entitled "the effects of technology on the EU banking systems," the central bank said: "Internet banking is expected to have the highest future growth potential of all remote channels and market participants already anticipate that it will expand considerably within the next two to three years."

"The overall trend seems to be that more and more financial companies are moving along this path to promote increasingly sophisticated products," it added.

Such developments presented both opportunities and risks for the banking sector, the ECB said.

ECB board member Tommaso Padoa Schioppa, presenting the report, noted that technology

and the introduction of the euro were the two main driving forces for change in the banking sector at the moment.

Problems related to the millennium bug, which threatens to bring computers to a halt at the turn of the year, has also forced change in some areas, he added.

The most profound changes concerned all forms of remote banking — with telephone banking and PC banking in place at most big banks but internet and e-mail business still rare.

"We have the phase where the place is still on the ground but is accelerating very fast," Padoa Schioppa said.

Bundesbank board member Edgar Meister, who chairs the Banking Supervision Committee of the European System of Central Banks, which prepared the report, pointed to various trends within the banking industry driven by technology.

He cited as examples the growth in use of ATM cash machines, computer-based distri-

bution of information, and bank business handled through supermarkets in some countries.

One important aspect with the growth of such business was the possibility for the private customer of carrying out bank transactions around the clock, Meister said.

"There is the convenience aspect offered by the fact that the bank is effectively open 24 hours a day, seven days a week and you don't have to go out and find it," he said.

Such new networks opened the prospect of greater business efficiency through cost reductions and the chance to build up new business. But they also threatened to play havoc with customer loyalty — which is now high in the banking sector.

"Online PC banking offers the advantage for banks of being a closed proprietary system without access for competitors, in contrast to internet banking, where competitors might be just a mouse-click away and less customer loyalty might be the result," the report said.

Technology changes overall presented five main risks to the banking system, the report said:

— The strategic risk of deciding what sort of technology to adopt and when. "Technology is extremely flexible before you use it and extremely rigid once you have chosen it," Padoa Schioppa said.

— Legal risks. New questions such as problems to do with getting a signature and the exact moment when a deal is sealed, for example.

— Operational risks. The possibility that the equipment may malfunction, be mishandled or not be sufficiently secure.

— Credit and market risks. A more flexible relationship between banks and their customers could also affect credit relationships, possibly causing an increase in the credit risk due to adverse selection in loans, the ECB said.

— Systemic risks — where problems that arise may be passed on from bank to bank and even country to country.

Bid to join WTO

China to allow foreign stakes in telecom firms

BEIJING, July 20: China has offered to allow foreign stakes of up to 25 per cent in basic telecommunications firms in its bid to join the World Trade Organisation (WTO), a senior Beijing official has been quoted as saying, says Reuters.

China has also offered to allow foreign companies to hold up to 30 per cent stakes in value-added telecom services if China joins the WTO, the official Liu Cai, was quoted as saying by the authoritative financial Cailing magazine seen on Tuesday.

Liu, head of the Ministry of Information Industry's policy and regulatory division, also told the monthly magazine that the offer fell well short of what the United States said China had been prepared to concede in trade talks this year.

"The price demanded by the US side was even higher," Liu was quoted as saying.

For example, the United States demanded an eventual 60 per cent ownership or at least 51 per cent, and that foreign companies be allowed to conduct direct exports," Liu said.

The United States and China came close to a WTO deal when Chinese Premier Zhu Rongji visited Washington in April.

China later froze the talks, key to its WTO entry, after NATO's bombing of the Chinese embassy in Belgrade in May.

Beijing says the talks will not resume until it receives a satisfactory explanation for the bombing, which killed three Chinese journalists. It has already rejected as "unconvincing" Washington's explanation that the bombing was a mistake.

While Zhu was in the United States, Washington published a list of what it called Chinese concessions. Beijing called the list "unilateral," leaving in doubt what firm offers it had made.

The US list said China would allow up to 49 per cent foreign ownership of all telecom services and 51 per cent foreign ownership in value-added and paging services within four years of entry into the WTO.

Washington said China would also drop geographic restrictions on imports of pagers, mobile phones and domestic wireline services within six years of entry.

Cailing magazine did not say whether the offer of 25 per cent foreign stakes was the one China put on the table in Washington.

US trade official due in Beijing next week

BEIJING, July 20: US Under Secretary of Commerce David Aaron will visit Beijing next week to promote China-US business relations, a Ministry of Foreign Trade and Economic Cooperation spokesman said today, reports Reuters.

He dismissed foreign media reports that Aaron's mission was to discuss China's entry into the World Trade Organisation.

"Aaron's visit has no connection with WTO entry," the spokesman said.

Aaron often makes short visits to China to support US businesses and attend major contract signing ceremonies, an American source told Reuters.

Foreign Trade Minister Long Yongtu said last week Beijing had no timetable for restarting WTO talks with the United States which were suspended after NATO bombed the Chinese embassy in Belgrade in May.

China has said it will not reopen WTO talks with Washington until it gets a satisfactory explanation for the bombing.

Beijing rejected as unconvincing an explanation by a senior US envoy in June that the bombing was a mistake stemming from the use of outdated maps and other intelligence errors.



Rokia A Rahman, President of Bangladesh Employers' Federation (BEF), delivers inaugural speech at a seminar on "Collective Bargaining" organised by the BEF in collaboration with International Labour Organisation (ILO) at the BEF Conference Hall yesterday. M A Hassanein, Director, ILO Area Office, Dhaka, C K Hyder, Secretary-General, BEF, Tarit Bhowmick, resource person from India, A M A H Siddiqui, a local resource person, are also seen.

—BEF photo