

Visa anomalies irk foreign investors

Multinationals lodge complaints with Foreign Chamber

By M Shamsur Rahman

Foreign companies operating in Bangladesh are facing serious problems due to the anomalies in issuing multiple visas.

A number of multinational companies have already notified the Foreign Investors' Chamber of Commerce and Industry (FICCI) about the difficulties in obtaining visas for expatriates. The companies say that the authorities flout the government policy and create unnecessary hindrances.

FICCI has already taken up the issue with the Board of Investment (BOI) and Home Ministry.

The country's industrial policy says that an investor will be issued a three-year multiple entry visa while the expatriate workers will be given multiple entry visas to cover the tenure of his job. The Board of Investment (BOI) will, however, issue work permits to such persons.

"But we are not getting work permits in accordance with the government policy. When we approached for multiple entry visas for Bo-Sun Park, Chair-

man of TaeHung Packaging (BD) Ltd, the authority said that it could only issue visa for one year with six entries," Ms. Ok-Kyung Oh, TaeHung Packaging Managing Director said in a letter to FICCI.

"This has put us in a fix and we fail to understand whom to approach for getting the government policy implemented/execute in its true spirit," the complaint said.

It said that when they applied to BOI for work permits, the Board verbally asked for Tk 5,000 as fee, which was also a new introduction. "We are sure that the foreign chamber also have no knowledge of such BOI decision."

In a separate letter to the FICCI on April 6, 2000, Managing Director of Shell Bangladesh Andrew Vaughan complained about the existing visa issuing system of the government's Immigration Department.

The system is hitting business hard as one has to apply frequently for extension of entries and also needs to apply for

extension of the multiple entry visas in every six months or in a year, the Shell MD's letter said.

"Each of the applications has to be approved by the sponsoring authority and the concerned ministry, and every time security clearance is also required," he said.

The delay in giving approvals restricts the expatriates' movement to and from Bangladesh, he said.

If the number of entries are exhausted or the visa expired and the expatriate needs to go outside Bangladesh, then the expatriate has to obtain an exit visa and again get another visa to enter into the country," the Shell Bangladesh MD pointed out.

"As the multiple entry visa depends on the work permit and the approval of the work permit takes a long time, the expatriates' movement to and from Bangladesh before obtaining the permit is also restricted," he said.

He said that arrangements should be made to issue multi-

ple entry visas without any restriction on the number of entries throughout the whole work permit period.

After getting such complaints, the FICCI wrote to the BOI last Sunday saying that "due to the irritating visa hitches, a good number of foreign investors are increasingly becoming discouraged to carry on with their investments in the country.

"This has created a hell of a lot of problems for foreign companies doing business in Bangladesh," the FICCI said.

The foreign chamber letter also said that on one occasion, the Bangladesh mission in New Delhi issued a PI visa with a stamp saying "Employment in Bangladesh - Paid or Unpaid prohibited", which made the visa 'meaningless.'

If foreign investors need to fulfil all these requirements in obtaining PI visas, many of them may start thinking of withdrawing from Bangladesh while others will think twice before coming to this country, the letter said.

done in violation of the avowed government policy."

The FICCI in a letter to the Home Ministry in early January stated that the ministry had recently instructed various Bangladesh missions not to issue visas other than private investment (PI) visa to foreigners who will be working in the country.

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Pre-season plenty

Though the real season for hilsa is yet to come, the city's retail and wholesale markets are witnessing plenty of it these days.

— Star photo

Global trade grows 4.5 pc in '99

Poor nations show strong performance

Italy to make debt relief move for LDCs, Bangladesh

HAVANA, Apr 13: Italy will take initiatives for debt relief of the least developing countries (LDCs), including Bangladesh, says UNB.

The Italian Development Cooperation Minister said this while talking to Bangladesh Foreign Minister Abdus Samad Azad on the sideline of the South Summit in Havana Wednesday, according to a message received in Dhaka yesterday.

The Italian minister said his country would present a proposal for writing off of LDCs' debts in the coming D-8 summit in Tokyo in July next.

The Italian minister, who was attending the summit as a guest, informed the foreign minister that the Italian Parliament took the decision three months ago and would offer it to other D-8 members in Tokyo. Even if the other members do not join the initiatives, Italy will proceed unilaterally with their debt relief plan, he said.

BIA seminar on role of actuary held in city

A seminar on "Role of an Actuary" arranged by Bangladesh Insurance Academy was held at the Academy Bhaban in the city Wednesday.

The seminar, first of its type, proved very useful for the insurance executives, professionals, teachers and even students.

David J Richardson, an eminent and internationally-reputed actuary and consultant of the Asian Development Bank (ADB), was the key-note speaker.

Shafat Ahmad Chowdhury, a noted Actuary and Advisor, Sandhani Life Insurance Co Ltd, was present as the chief guest. Dr Mohammad Sohrab Uddin, also an Actuary and Deputy Governor of Bangladesh Bank, attended the seminar as the session moderator.

Jafar Halim, Actuary and Managing Director of Progressive Life Insurance Co Ltd (proposed), and Shefaque Ahmed, Actuary and Managing Director of Progati Life Insurance Ltd (proposed), was present as panel discussants.

Sony to begin selling digital music online

NEW YORK, Apr 13: In the latest effort to combat music piracy on the Internet, Sony will begin offering commercial downloads of single songs later this month, says AP.

The songs will be offered in a secure, non-copyable format developed by Sony called ATRAC3. Users can play the songs back on a computer, but the only portable devices that support the format are made by Sony.

Makers of the popular Rio and Nomad players, which use the MP3 format that allows for copying, do not yet make devices that can use secure, non-copyable formats.

The initial lineup from Sony, which announce the plan Monday, will include 50 songs from Sony's roster of artists, including Pearl Jam and Jennifer Lopez. The singles will be prices at around the same level as for a regular CD single.



A woman walks past a billboard advertising an Indian Internet portal April 11 in Calcutta. Indian entrepreneurs have embraced the Internet with a fervour which has more than marched more developed nations in the Asia-Pacific region, with the sub-continent nation having over 500 Internet-related start-ups launched in 1999.

— AFP photo

NEW YORK, Apr 13: Heads up. The hibernation is ending, and the technology bears are roaring out of the cave, into the daylight, says Reuters.

Wall Street's tech bears, deemed the losers not too long ago, are now claiming victory — and they're doing it loudly. After being muzzled last year and at the start of 2000, the market's pessimists have begun to pipe up, celebrating their foresight.

"Six months ago, anybody with a bearish tendency was an American. Anybody with a bearish tendency was a loser," said Scott Bleir, chief investment strategist at Prime Charter Ltd.

But now it's safe for them to come in from the cold.

As US technology stocks drag the Nasdaq composite through multiple support levels in a month-long descent from the market's peak, more cautious analysts have taken the bullhorn. They are urging investors to pull even more money out of yesterday's high fliers and jump back into more traditional, old economy stocks.

Since the Nasdaq composite IXIC peaked at 5,048.62 on March 10, the technology-laden index is down nearly 19 per cent, while the Dow Jones Industrial Average DJI, maligned as being too "old economy" during the tech run-up, has risen nearly 14 per cent.

"Certainly the bearish bandwagon is overflowing," said Charles Payne, head analyst at Wall Street Strategies, an independent market research firm. "It seems every single analyst on the street is on the old economy bandwagon and determined to drive the last nail in the coffin of high-flying techs and arrogant investors."

Merrill Lynch's chief technical analyst, Richard McCabe, grabbed the microphone on Monday, telling investors to use the rebounds in tech stock prices to sell some of those shares and move cash into de-

cidedly low-tech energy, basic industry, consumer cyclical and financial stocks.

That just fanned the flames of a tech burn that started a month ago and has accelerated steadily for two weeks.

Abby Joseph Cohen, Goldman Sachs' investment policy chair and one of Wall Street's most influential strategists, started the trend in late March. Cohen, a long-time bull, trimmed the equity exposure in her model portfolio, creating a 5 per cent cash component.

The next day, another guru, Mark Mobius of the Templeton Fund, warned that recent volatility in Internet stock prices could herald the onset of a steep global sell-off in the soaring sector.

Wall street's response? The tech-driven Nasdaq composite index lost 124 points the day of Cohen's comments, 189 points after Mobius's warning and another 186 points the following session.

Once the bruising began, the market was set for more strategists and technical analysts to raise their voices, urging shifts into stocks whose valuations were tied to actual profits, not the hope of future earnings.

"Everyone is becoming a follower," said Larry Rice, chief investment officer at Josephthal Lyon & Ross. "Everyone is trying to call the (market) top and when they can't, they end up following the herd."

"I don't think anyone has become bearish long term, but they've become momentum players," Rice said. "Still, I just always wonder what happens when one of the major gurus comes out and says to sell all the next bears to come."

The market sages and institutional traders were warned repeatedly by technical analysts and long-term bears about the danger signs evident all around, particularly about the market's climb on a narrow group of big high fliers.

But smaller investors, whose great cash infusions collectively are changing the nature of trading, saw and heard only the bulls on the airwaves.

The stock rally of 1999 pushed many bears to near extinction. David Shulman, former chief equity strategist for Salomon Brothers, moved to a hedge fund after his firm merged with Smith Barney. Michael Metz, formerly the chief stock market strategist for Oppenheimer, saw his duties reduced to portfolio manager. And Don Hayes retired from his spot as chief investment strategist for Wheat First Union.

Some market watchers blamed the dominance of bullion calls to lucrative in-

vestment banking ties that brokerage firms had to technology companies. Bears were ridiculed in private and in public for tip-toeing amid such an aggressive buying spree.

But now, they are climbing back to the top.

Gail Dudack, Warburg Dillon Read's chief investment strategist, has recently found her continuously cautious analysis leading the firm's daily package of research notes.

Speaking outside a conference organised by the Institute of International Finance of Washington, he said that in the long term the price of oil would fall again because members of the Organisation of Petroleum Exporting Countries (OPEC) would have difficulty in maintaining a cohesive position.

An increase of production by some producer countries which did not belong to OPEC would also depress prices, he said. On Wednesday Shell announced reviewed financial targets

Khulna BSTI conducts spl drive against dishonest traders

KHULNA, Apr 13: Bangladesh Standard and Testing Institute (BSTI), Khulna, conducted a special drive against 294 dishonest traders who are using illegal weight and measurement in their transaction through 43 mobile courts, says BSS.

The mobile court realised about Tk 20 lakh as fine in different districts under Khulna and Barisal divisions during the last eight months, official source said.

One mobile court realised Tk 2750 by making moves against five persons in Khulna city in July 99.

Four mobile courts conducted drives in Khulna, Jessore and Jhenidah districts against 24 persons and realised Tk 17,660 in August 99.

Six mobile courts launched action in Barisal, Satkhira, Chuadanga and Magura districts against 42 persons and realised Tk 58,850 in September 99.

Nine such courts went for action in Magura, Pirozpur, Patuakhali, Vola and Jessor districts against 59 persons and realised Tk 51,000 in October 99.

Canada envoy tells Mintoo Right environment needed for aid utilisation

Star Business Report Canadian High Commissioner in Bangladesh, David Preston said the right environment is needed for utilisation of foreign aid.

He said this at a meeting with president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), Abdul Awal Mintoo in the city yesterday, says a press release.

During the meeting, they discussed matters relating to foreign aid, World Bank conditionalities, transparency, role of private sector and sub-regional cooperation.

The Canadian envoy said the level of commitment should, in fact, depend on the progress of reform programmes. He mentioned about the sub-regional cooperation between Bangladesh, the north-eastern region of India, Nepal and Bhutan.

The FBCCI president said that World Bank in consultation with the bureaucracy laid down conditionalities which undermined the interest of the private sector. Civil society should be properly consulted in respect of such obligations. The views of private sector must be taken into account before finalising the lending programme of the World Bank, he added.

Salman F. Rahman, past president of FBCCI, also took part in the discussions.

Oil price to stay above \$20 this yr: Shell

THE HAGUE Apr 13: The price of oil is likely to remain above 20 dollars a barrel this year, the joint chairman of Royal Dutch/Shell, Haye Maarten van den Bergh said today, reports AFP.

Speaking outside a conference organised by the Institute of International Finance of Washington, he said that in the long term the price of oil would fall again because members of the Organisation of Petroleum Exporting Countries (OPEC) would have difficulty in maintaining a cohesive position.

An increase of production by some producer countries which did not belong to OPEC would also depress prices, he said. On Wednesday Shell announced reviewed financial targets