

US, EU head for trade war over online VAT tax

AFP, Washington

A new transatlantic trade skirmish is brewing over a European Union plan to require retailers to collect value added taxes (VAT) on online sales to European customers.

EU finance minister this week approved the plan to require the tax to be collected on "digital products," which include music, computer games and software that are downloaded as well as to subscription-based and pay-per-view radio and television broadcasting.

The plan, which must be finalised by the European Parliament, is to take effect July 1, 2003.

But the digital tax threatens to be the latest in a series of skirmishes over tax policies that have the United States and European Union at odds.

US officials and the US high-tech industry contend this plan discriminates against non-EU companies by requiring them to charge higher rates in some case

than their EU counterparts.

"We are extremely disappointed at something that can only be called protectionism in the cyber age," said Harris Miller, president of the Information Technology Association of America.

Miller said the plan creates a "complicated if not impossible," tax burden on small businesses by requiring them to verify customer locations and deal with various VAT tax rates in the different EU countries, ranging from 15 to 25 per cent.

The plan requires a US or other non-EU firm that sells to EU customers to determine the location of purchasers and charge the VAT rate specific to that country. EU companies, however, will charge the VAT tax rate based on the location of the business.

Willy Helin, an EU spokesman in Washington, said the new plan is "certainly not discriminatory. In fact, the prevailing situation was discriminatory, and this creates a level playing field."

JB managers' confce held at N'ganj

The branch managers' conference-2002 of Janata Bank's Narayanganj and Narsingdi regions was held at the bank's area office in Narayanganj on Saturday, says a press release.

Managing Director of the bank Murshid Kuli Khan inaugurated the conference-2002.

He advised all the branch managers help boost remittance business, improve recovery performance and quicken disposal of pending cases.

General Manager of Dhaka Division Anwarul Haque Quershi along with area chief and other executives were present also on the occasion.



PHOTO: T-MART

Towheed Chowdhury, Managing Director of T-Mart International, sole agent of Jordana Color Cosmetic of USA, receives the first prize in foreign goods stall category from Abdul Mannan Bhuiyan, Minister for Local Government, Rural Development and Co-operatives, at the concluding ceremony of the Dhaka International Trade Fair 2002 Friday. Amir Khosru Mahmud Chowdhury, Minister for Commerce, and Md Barkat Ullah Bulu, State Minister for Commerce, were also present on the occasion.

Finland to use Nokia to broaden trade in Asia

AFP, Manila

Finland wants to capitalise on flag bearer Nokia's extensive connections in Asia to expand and diversify its trade and investment in the region.

Nokia, Asia's number one mobile phone manufacturer, is the lynchpin of Finland's economy, representing a fifth of the country total exports.

"Finland is a republic, we don't have kings and queens who are excellent PR (public relations) machines like some countries but luckily we have Nokia," Finland's

foreign trade minister Jari Vilen said.

So, Nokia "will pave the way for greater expansion of Finnish knowhow, expertise and quality in Asia," he told AFP in an interview.

Vilen, who visited Philippines and Thailand last week in his first foray into Asia to seek new investments and avenues for trade, said while Nokia's strong influence helped Finnish firms to "open doors" in Asia, Finland wanted to diversify into other non-Nokia-linked exports and investments.

Taiwan lifts 50-year ban on direct remittance to China

AFP, Taipei

Taiwan has offered rival China a fresh olive branch at the start of the Year of the Horse by lifting its half-century ban on direct remittance services and allowing imports of more Chinese products.

Both measures were effective from Friday, reports said.

Taiwan's finance ministry on Friday unveiled regulations allowing direct remittances by some domestic banks to China, the China Times and the United Daily News said.

The ministry immediately started to receive applications for the new business services from interested banks, with a decision expected within a month, it said.

Those banks which did not get the official go-ahead would have to continue to provide indirect remittances through their overseas units.

The new measures follow direct trade that started after the recent entry into the World Trade Organisation (WTO) of Taiwan and China, split in 1949 at the end of a civil war.

At the same time, Taiwan's economic ministry Friday permitted imports of an additional 2,058 agricultural and industrial products from China.

This expands the proportion of items allowed for imports to more than 70 per cent of Taiwan's import list from the current 56 per cent.

But the government had stopped the addition of another 86 items to the long list under pressure from local industries. Among the controversial items are candy, cookies and chocolate.

Taiwan became the 144th WTO member on January 1, following the entry of rival China in December.

Pleasure trips by Chinese directly coming from the mainland are banned in Taiwan, although the island in January opened its doors to Chinese studying or living abroad for sightseeing.

Visits by mainlanders to the island for other purposes are currently approved on a case-by-case basis.

The Mainland Affairs Council which formulates the island's policy vis-a-vis the mainland is also set to allow Chinese investments in selected service industries in Taiwan this year, including trans-

portation, hotel, restaurant, advertisement, construction, sports and entertainment.

Taiwan has banned direct business contacts across the strait since 1949 and cross-strait commerce and investments are made via third places, mainly Hong Kong.

Despite the long-standing ban, indirect trade and investments began to flourish after Taipei allowed civilian exchanges with the mainland in late 1987.



PHOTO: JANATA BANK

Janata Bank Managing Director Murshid Kuli Khan speaks at the branch Managers' Conference-2002 of the bank's Narayanganj and Narsingdi regions at Narayanganj on Saturday.

CURRENCY

Following is yesterday's forex trading statement by Standard Chartered Bank

TT/OD	BC	Currency	Buying		
			TT Clean	OD Sight Doc	OD Transfer
58.5500	58.5800	USD	57.4000	57.2314	57.1629
51.8703	51.9572	EUR	49.4246	49.2412	49.1646
84.5923	84.6343	GBP	81.4517	81.1852	81.1306
31.0543	31.0788	AUD	28.9962	28.9037	28.8236
0.4445	0.4447	JPY	0.4293	0.4291	0.4281
34.7556	34.7801	CHF	33.5794	33.4849	33.4004
5.5741	5.5792	SEK	5.4117	5.3940	5.3781
36.8195	36.8440	CAD	35.9080	35.8143	35.7312
7.5145	7.5158	HKD	7.3551	7.3374	7.3200
32.243	32.2642	SGD	31.3218	31.2780	31.1634
16.0710	16.0886	AED	15.4925	15.4706	15.4521
15.7369	15.7553	SAR	15.1901	15.1534	15.1352

Usance export bills

	TT Doc	30 days	60 days	90 days	120 days	180 days
USD	57.2817	56.9282	56.4564	55.9139	55.3242	54.0032
EUR	49.3310	49.0266	48.6203	48.1530	47.6452	46.5075
GBP	81.2769	80.7755	80.1060	79.3362	78.4995	76.6251

The local interbank Foreign Exchange market was subdued. Demand for BDT for overnight borrowing at call is still high.

The Bangladesh Bank weekly Treasury Bill auction was held on Sunday. The international markets were closed for the weekend.



PHOTO: NBL

Abu Taher Miah, Chairman, and Mahbubur Rahman, Director of National Bank Limited, jointly inaugurate the 76th branch of the bank at Choudhagram in Comilla on Thursday.

SHIPPING

Chittagong port

Berth position and performance of vessels as on 17.2.2002

Berth No.	Name of Vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Import Disch
J/1	Caribbean Spirit	GI(SLC)	Yang	ASA	0/2	18/2	2910
J/2	Diana	C.Clink	Kant	SSA	9/2	17/2	2625
J/3	Banglar Doot	GI(ST.SC)	Busa	BSC	23/1	25/2	351
J/5	Magda	C.Clink	Pada	OLM	12/2	20/2	3210
J/6	Chahaya Star	GI(Log)	Yang	Uniship	9/2	19/2	553
J/7	Gul Jiang	Urea(BCIC)	Beih	Atlantic	10/2	18/2	914
J/8	Min Jiang (Liner)	GI	Ulch	BdShip	9/2	18/2	804
J/10	Ruaha	Urea (BCIC)	Sing	Seacoast	12/2	22/2	1457
J/11	Xpress Padma	Cont	P.Kel	RSL	13/2	17/2	10x
J/12	Orient Freedom	Cont	P.Kel	PSSL	13/2	19/2	34875
J/13	Perak	Cont	Sing	Pi(BD)	15/2	17/2	282x
CCT/1	Banga Barta(Flag)	Cont	Mong	Baridhi	14/2	17/2	57/x
CCT/2	Kola Singa	Cont	Sing	Pi(BD)	13/	17/2	
CCT/3	Banga Biraj(Flag)	Cont	P.Kel	BdShip	13/2	17/2	
GSJ	Tiina-II	ETL	Mong	RML	11/2	17/2	
TSP	Eurobulker-II	Idle	Tuti	BSL	9/2	19/2	
DOJ	Banglar Jyoti	C.Oil	K.Dia	BSC	R/A	17/2	12747
DD	Banglar Moni	Repair	Mong	BSC	17/1	20/2	
DDJ/1	Sonali	Repair	Yang	Angelic	31/10	20/2	
RM/9	Banglar Maya	Ballast	BHBN	BSC	2/2	20/2	
C/Jetty	Tug Sbm-1	Ballast	Sing	OTBL	9/12	-	
	Tug Jubilee Dua	Ballast	Sing	OTBL	9/12	-	

Vessels due at outer anchorage:

Name of vessels	Date of Arvl	L Port call	Local agent	Name of cargo	Loading
Triumph Chittagong	20/2	Yang	RML	GI	
Radiant Canopus	17/2	Abadi	Cont	Urea(BCIC)	
Assani Traders	17/2	Karab	ANCL	Gypsum	
Yong Jiang (Liner)	17/2	Busan	Bdship	GI	
Banga Bonik	18/2	P.Kel	Bdship	Cont	Sing
Banglar Robi	18/2	Sing	BSC	Cont	
Sungrisan-9	18/2	Bon	Uniship	Urea(BCIC)	
Dawel (Liner)	19/2	Yang	Everett	GI(ST.C)	
Achiever	20/2	Sing	RSL	Cont	Sing
Jovanna	19/2	BOOAS	Uniship	Urea(BCIC)	
Artemis	20/2	P.Kel	PSSL	Cont	Sing
QC Dignity	20/2	P.Kel	QCSSL	Cont	Sing
Kota Naga	20/2	Sing	Pi(BD)	Cont	Sing
Valverde	20/2	Sing	OTBL	For Demolition	-
B.C. Cook	21/2	-	PSSL	Cont	Sing
Jaami (Flag)21/2	-	Everbest	Cont	Col	
Jaya Mars	22/2	-	RSL	Cont	Sing
Sinh	22/2	Sing	BSC	Cont	Sing
Orient brave	22/2	Cal	H&S	GI(CR.Coil)	
Voc Regal	22/2	-	Oil	GI(H.R.C)	Sing
Banga Bijoy	22/2	-	Bandhi	Cont	Col
Firan Motahari	22/2	Koshi	BSL	C.Clink (S.Alam)	
Banga Birol 24/2	-	BdShip	Cont	Sing	
Kibi Maru	24/2	-	BBA	Cont	
Triumph Mumbai	25/2	Yang	RML	GI(D.Equip)	

Tanker due

Tirta Niaga-1	17/2	K.Tanj	Seacom		CPL
Hai soon-VIII	18/2	Sing	AMBL		B.Oil (RM/3)
Duke	18/2	Ruwa	ECSL		HSD(RM/5/6)
H.H. M	19/2	Sing	H&H		Bitumen(RM/3)
Oscar Viking	23/2	VIZA	MBL		(10000WLD)
Macheka					
Ammoni N	23/2	ECSL	HSD(RM)		

Vessels at Kutubdia

Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
QC Lark (Cont)	Cont	P.Kel	QCSSL	16/2
Xpress Resolve (Cont)	Cont	Col	Everbest	16/2
Preeaja Breeza	HSD/MS	Sing	ECSL	14/2

The above shipping position and performance of vessels of Chittagong port as per berthing sheet of CPA supplied by HRC Group, Dhaka.

STOCK