

## WTO cell to be set up at commerce ministry

BSS, Dhaka

The government has been planning to set up a World Trade Organisation (WTO) Cell in the Ministry of Commerce to protect the business interest of Bangladesh in the global arena, ministry officials said yesterday.

The establishment of a WTO Cell at the ministry can effectively help enhance negotiating skills as well as the capacity to handle efficiently the talks under existing WTO rules, they believe.

The ministry is hopeful of getting financial and other assistance from the World Bank to set up the cell.

At the fourth WTO Ministerial Conference held in Doha in November 2001, a decision was taken to launch a new round of multilateral negotiations.

"This round of talks will continue for three to four years. To protect the interest of Bangladesh and other least developed countries, it is necessary that the commerce ministry is prepared for the forthcoming multilateral talks," a high official of the ministry told BSS.

The proposed cell would work out strategies that would bring benefits for the country and help the government and private sector as well to cope with the challenges arising out of WTO.

Meanwhile, the government has also decided to reorganise the Bangladesh Tariff Commission for its effective function in various fields of trade and commerce to assist the ministry.

## NCC Bank opens education centre

Nurul Islam, Chairman of National Credit and Commerce Bank Ltd, inaugurated NCC Bank's Centre for Continuous Education at a simple ceremony at the bank's head office on Thursday, says a press release.

The centre facilitate furthering of education to officers & executives of the bank aiming at self development for improved efficiency and quality service.

The centre has already established a library and collected valuable books, journals and periodicals etc for use by the officers & executives of the bank.

The centre will also organise seminars & presentations participated by eminent authorities on different subjects of contemporary interest of banking professionals.

Inaugurating the centre, the chairman of the bank said continuous education is a prerequisite for self-development.

## New MD of Baira Life Ins



WI Chowdhury has joined the Baira Life Insurance Company Ltd as managing director, says a press release.

Prior to the new assignment, he was managing director of Fareast Islami Life Insurance Company Ltd. An associate of Chartered Insurance Institute (ACII) of London, Chowdhury started his life insurance career in 1970 as deputy manager in the then Adamjee Insurance Company Ltd.

## 1.43 lakh tons of sugar produced till Feb

Sugar mills under Bangladesh Sugar & Food Industries Corporation (BSFIC) have produced 1.43 lakh tons of sugar till February in the current crushing season, says a press release.

The production achieved so far is 78 per cent of the target.

It is expected that the total sugar production target will be exceeded by the sugar mills.

The government fixed the total sugar production target at 1.83 lakh tons in the current seasons.

# Oil tanker owners protest move to privatise state-run oil cos

## BOTOA threatens to stop fuel transportation if demand not met by Thursday

STAR BUSINESS REPORT

Bangladesh Oil Tanker Owners' Association (BOTOA) has strongly protested a government decision to privatise the three state-run oil companies, saying the government should develop a mechanism before privatising the companies.

At a press conference in the city yesterday BOTOA leaders placed a six-point demand that includes increasing freight rate by Tk 0.15 per mile for every ton, having insurance coverage of their products and adding 2.25 per cent VAT on the freight bill amount.

The leaders also threatened to stop transportation of fuel if the government does not meet the demands by Thursday.

They said the government earns more than Tk 3,000 crore from import of petroleum products a year.

"If these companies go private the government will face Tk 1000 crore revenue loss annually mainly due to corrupt practices by the private operators and customs authorities," claimed TM Ghyasuddin Ahmed, President of BOTOA.

KM Mahmudur Rahman, Convenor of a steering committee, and Habibul Alam, Senior Vice-President, and other members of the association were present at the press conference.

"Padma, Meghna and Jamuna are profitable concerns, which earn a net

profit of almost Tk seven to 10 crore annually. There has not been any major crisis in supply of petroleum products," TM Ghyasuddin Ahmed said. "The petroleum products are sensitive items and any problem in distribution may cause a catastrophe."

The state-run oil companies import oil through Bangladesh Petroleum Corporation (BPC) which gives the actual declaration regarding quantity as per the requirement of the country, based on which the duty and taxes are paid, Ghyasuddin Ahmed said.

"But the private operators in cooperation with the customs, port and private surveyors will declare less quantity in order to avoid payment of duty and taxes," he said.

Ghyasuddin Ahmed said private operators can easily get Clean Report of Findings (CRF) from the PSI companies as per their wish.

"Leaving most sensitive items like petroleum products to the hands of a few private operators, both the national security and economy will lie in the hands of a few people. It will be a wrong step for the government to privatise the companies," Ahmed went on.

A careful study should be done to see how the neighbouring countries like Pakistan and India have privatised their oil companies keeping their national interests intact, he recommended.



PHOTO: NCC BANK

Nurul Islam, Chairman of National Credit and Commerce Bank Ltd, inaugurates the bank's Centre for Continuous Education on Thursday. Anwar Ahmed, Managing Director, Kazi Shafiqur Rahman, Senior Executive Vice President, AMM Farhad, Executive Vice President, and Tariqul Alam, Secretary to the Board, among others, are also seen.

# India to control public spending to reduce deficit

AFP, New Delhi

Indian Finance Minister Yashwant Sinha warned Monday of draconian controls on public spending in an offensive against a ballooning fiscal deficit.

The country's fiscal deficit is currently running at 5.7 per cent of gross domestic product compared to the targeted 4.7 per cent fiscal deficit for the current financial year ending March 31.

"I feel guilty that we could not meet the fiscal deficit target," Sinha told a post-budget meeting with leaders of the Confederation of Indian Industry.

"We will have the strictest control on expenditure this year. We are going to make sure each ministry fixes quarterly expenditure targets," he pledged.

The finance minister pinned his failure to rein in the deficit to a short-fall in tax collections of nearly 200 billion rupees (4.1 billion dollars).

The finance minister said his latest budget withdrew many income tax exemptions, as well as subsidies on kerosene, petrol and fertilisers.

"I have given up the idea of being a merchant of a feel good factor. The need is to tackle the fundamentals," Sinha said.

He said the budget had offered lots of incentives for development of the farm sector, which employs the largest section of India's one billion population.

"If this sector moves forward, then the rest of the economy will also move forward," the finance minister said.

Economic growth was estimated at 5.4 per cent in the current fiscal year, compared to annual growth of more than six per cent in the immediate post-1991 reform period.

The growth has stagnated with industrial growth willing in the face of a drastic drop in consumer demand.

# Japan to file complaint to WTO if US imposes steel imports tariffs

AFP, Tokyo

Japan may file a complaint to the World Trade Organisation (WTO) if the United States imposes special tariffs on steel imports to protect US steelmakers, a senior Japanese official said Monday.

"If they were to launch (safeguard tariffs) or to make some sort of decision, we would carefully study the reasons for them to decide what we will do, including bringing the case with other nations to the WTO," Katsusada Hirose, vice-minister of economy, trade and industry told reporters.

His comment came two days before US President George W. Bush is scheduled to announce whether he would bow to demands by the US steel industry for a 40 per cent tariff to shield it from cheap imports, from such areas as Europe, Japan, South Korea and Latin America.

Bush is considering the action under Section 201 of the 1974 trade law, which lets the president impose punitive tariffs on imports that have been found to have caused injury to the domestic industry.

Non-US steelmakers are hotly opposed to such penalties. Their case is backed up by US steel consumers, who warn such tariffs

threaten to price them out of highly-competitive businesses.

Japanese steelmakers and the Japan Iron and Steel Federation declined to comment Monday, saying they were unable to comment ahead of Bush's decision.

In December, the quasi-judicial International Trade Commission recommended Bush impose 20 per cent tariffs on certain types of carbon and alloy flat steel imports.

At that time, the Japan Iron and Steel Federation said the decision was unfair to US steel consumers because the US demand for steel imports rose as US steelmakers were uncompetitive and inefficient.

Such type of financing will help flourish export-oriented industries and increase reserve for the country.

Sat Masjid Road Corp., Mirpur Section-10, Uttara Model Town Corp., Lakshi Bazar and Rajarbagh Corp. have been authorised to sanction under the scheme.

## Govt earns Tk 6.16 cr as dividend from IFIC Bank

The government which holds 40 per cent shares of International Finance Investment and Commerce Bank Limited has earned Tk 6,15,87,160.00 as dividend during the years from 1997 to 2000, says a press release.

The Chairman of IFIC Bank Limited, Manzurul Islam, handed over the dividend warrants to the Minister of Finance, M. Saifur Rahman, at a simple ceremony at his secretariat office in the city on Sunday.

Among others, Finance Secretary, Zakir Ahmed Khan, Directors of the bank AM Agha Yusuf, Syed Mohsen Ali, Dr. Chowdhury Saleh Ahmed, Nazrul Islam and Managing Director, Ataul Haq, were present on the occasion.

## JB launches financing scheme for businesswomen

Janata Bank has introduced a "women entrepreneurship programme", for the emerging businesswomen to bring them under the banking network with funds in the form of working capital.

Under this programme, eligible women entrepreneurs may individually or on group basis (including 5 (five members) may apply for loan in the projects like a) embroidery, hosiery, fast food, computers, fax, telephone & diagnostic centre, up to Tk four lakh without collateral security and above this amount personal guarantee and hypothecation of the project assets is required.

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## Seminar on career in ad held

Aseminar on "Career in Advertising" was jointly organised by Unitrend Limited, an advertising agency, and Department of Career Services, North-South University, in the city yesterday, says a press release.

Sorab Mistry, Chairman and CEO India, Area Director South Asia, Executive Vice President Asia Pacific of McCann-Erickson WorldGroup, was the chief guest at the seminar.

Ameer Yousuf Khan, Assistant Director of DCS-NSU, Muneer Ahmed Khan, CEO and Managing Director of Unitrend Ltd, and Taslim Ahmed of Unitrend were also present.

Sorab Mistry dwell on bright prospect of advertising and career development with McCann-Erickson WorldGroup, a leading advertising set-up in the world.



PHOTO: IFIC

Manzurul Islam, Chairman of IFIC Bank Limited, hands over dividend warrants for Tk 6.16 crore to Finance Minister M Saifur Rahman against the government's 40 per cent equity in the bank. Directors A.M. Agha Yusuf, Shafiqul Islam and Managing Director Ataul Haq are also seen in the picture.

# BTMA seeks continued release of cash subsidies

UNB, Dhaka

Textile manufacturers urged the government to regularly release cash subsidies to genuine importers of yarn and fabrics and continue this support in future also to help the clothing industry flourish.

While making the plea to Finance and Planning Minister M Saifur Rahman, the textile sector leaders also suggested permitting commercial import of yarn only through seaport to check smuggling and dumping of Indian yarn.

Bangladesh Textile Mills Association chairman Matin Chowdhury and his fellow industrialists in the sector met the minister yesterday to apprise him of their problems, specially constant threats on local yarn and fabrics from the Indian make, either smuggled or dumped.

They also reiterated their disap-

proval of the SAARC cumulation, a EU condition for Bangladesh to import fabrics from the regional countries to get market privilege, as they view it harmful to the growth of local textiles.

The government committed to giving Tk 700 crore in the current fiscal year against imports of textile inputs for export purpose, but the disbursement remained stalled for the last six months as irregularities were detected in imports requiring the government's attention.

The Association leaders suggested that there should be strict monitoring to detect the offenders, but genuine importers should not suffer.

Although the cash support was supposed to be equivalent to 25 per cent of the import value, the percentage comes down to 12-13 in real terms. Moreover, importers have to pay bank interest until the

fund is released, which usually takes a year to complete formalities.

Stoppage of fund release has reduced formal imports of textile inputs, encouraging more smuggling and dumping of Indian yarn and fabrics, the BTMA leaders pointed out.

Referring to reports of under-invoicing during import of fabrics and yarns through land ports, the BTMA leaders said commercial import of yarn and fabrics through seaport would be safer, even though it would be somewhat more time-consuming.

The Finance Minister said he was aware of the issues and assured the BTMA leaders of looking into those.

BTMA members MA Awwal, Anisul Islam Mahmud, Jahangir Al Amin, Abdul Hye Sarkar and Matiur Rahman were in the BTMA delegation.



PHOTO: IMPRESS TELEFILM

Shykh Seraj (L), Director of Impress Telefilm, and Hilmy Ahmed, Managing Director of Young Asia Television, shake hands after signing an agreement on exchange of programmes between the two organisations in the city yesterday.

## Impress Telefilm, Young Asia Television sign agreement

Impress Telefilm Ltd, the owning company of television channel Channel-i, yesterday signed an agreement with Sri Lanka's Young Asia Television on exchange of programmes based on environment, culture, democracy, human rights and development activities, says a press release.

Shykh Seraj, Director of Impress Telefilm, and Hilmy Ahmed, Managing Director of Young Asia Television, signed the agreement on behalf of their respective organisations. Nazrul Islam, Country Director of Worldview International, was also present at the signing ceremony.

# Malaysia trade surplus surges 45pc in Jan

AFP, Kuala Lumpur

Malaysia's trade surplus rose 45 per cent in January from a year earlier, boosted by a recovery in electrical and electronic exports to the United States, government statistics showed Monday.

The country logged a surplus of 4.4 billion ringgit (1.16 billion dollars) in January, marking the 51st consecutive monthly trade surplus since November 1997, the International Trade and Industry Ministry said in a statement.

The figure was down 10 per cent from 4.8 billion ringgit recorded in December.

"After two months of continuous decline, exports to USA in January increased by 4.4 per cent to 5.4 billion ringgit, due mainly to increase in exports of electrical and electronic products and palm oil," it said.

Electrical and electronic products contributed nearly 80 per cent of Malaysia's exports to the US.

Exports to the Association of Southeast Asian Nations increased 18.4 per cent to 7.7 billion ringgit, while those to Japan rose nearly 10 per cent to 3.5 billion.

But exports to China fell 17.4 per cent to 1.3 billion, reversing an increase of 20 per cent in December, as exports of palm oil, chemical and chemical products, and electrical and electronic products fell.

## India's inflation rises to 1.39pc

REUTERS, New Delhi

Higher prices of food items marginally pushed India's inflation-rate up to 1.39 per cent for the week to February 16 but analysts said they expected the trend of low inflation to persist in the weeks ahead.

The Commerce and Industry Ministry said Monday the inflation rate as measured by the wholesale price index rose to 1.39 from 1.13 in the previous week and 8.49 per cent in the year ago period.

"This is an insignificant change. The present trend of low inflation will persist for sometime because of lack of demand in the economy," Saumitra Chaudhuri, economic adviser with rating agency ICRA, told Reuters.

Indian Finance Minister Yashwant Sinha presented the federal budget for the next financial year beginning April in parliament on February 28, which analysts say would not have much impact in pushing up demand and boost economic growth.

The inflation rate started declining after September 2001 and dipped to its lowest ever in over two decades at 1.13 per cent in the week ended February 9.

Consumer price inflation is currently running at 4.94 per cent. Analysts say the wholesale price inflation is used widely to report the trends in inflation rate in India because of the large number of price points, big basket of numbers and quick availability of data.

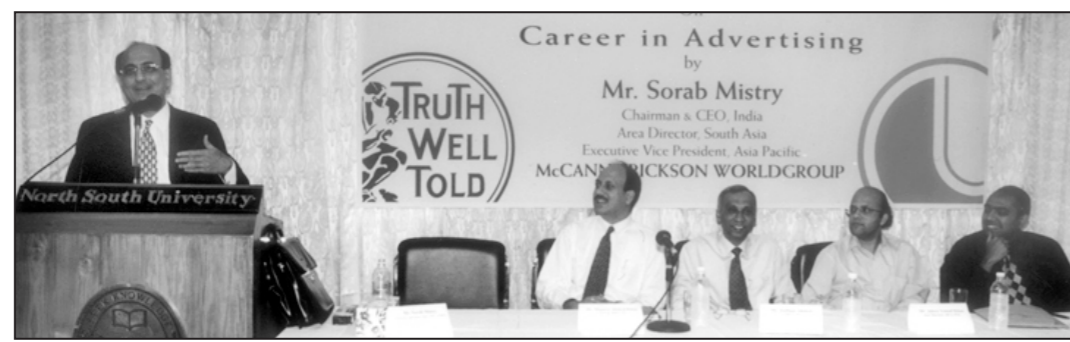


PHOTO: UNITREND

Sorab Mistry, Chairman and CEO India, Area Director-South Asia, Executive Vice President-Asia Pacific of McCann-Erickson WorldGroup, addresses a seminar titled "Career in Advertising" jointly organised by Unitrend Limited and Department of Career Services, North-South University in the city yesterday.