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Constitute regulatory body to develop renewable energy

BREA seminar urges govt

STAR BUSINESS REPORT

Speakers at a seminar yesterday urged the government for setting up of a regulatory body to develop alternative energy sources such as solar and wind.

Such a regulatory body could be made through formation of a renewable energy development agency, according to a suggestion at a seminar on 'How Renewable Energy Can Help Solve the Energy Gap with a Public-Private Partnership', organised by Bangladesh Renewable Energy Association (BREA) in the city.

With BREA President Niaz Rahim in the chair, State Minister for Power Iqbal H. Mahmud attended the seminar as chief guest while French Ambassador to Bangladesh Michel Lummaux, energy experts and representatives of NGOs using solar system also attended the seminar.

Painting a grim picture of the present systems loss of electricity, the state minister said he himself took initiatives to disconnect the illegal electricity connections and also lines of bill defaulters. But a section of Dhaka Electricity Supply Authority (DESA) employees restored the connections in exchange for bribes from the 'subscribers', he added.

In his speech, the French Ambassador said his country is ready for co-financing projects to develop alternative sources including solar energy.

"There is no need for any feasibility study for solar energy because it is functioning very efficiently in different parts of the world. If decisions are taken with other financing agencies like World Bank, we are ready to assist the projects," he said.

Making a presentation on the potential of solar energy in Bangladesh, Farid Bakht, Managing Director of First Bangladesh Technologies Limited, said in 2002, two per cent of global power generation come from renewable sources.

He said 500,000 households will be potential customers of renewable energy and four million more will go for solar systems, indicating one in six households of Bangladesh, where only 25 per cent of total population have access to electricity, will get the benefit.

Referring to the contribution of petroleum some one hundred years ago, he said in 1902, only two per cent of power came from petroleum.

Dr Atique Rahman, Chairman of Qualition for Environment Network, said Rural Electrification Board and Power Development Board are not able to supply electricity to many rural areas. Renewable energy can be cost effective and there are enormous opportunities for renewable energy in Bangladesh, he added.

Engineer SM Noor Uddin said Grameen Shakti has so far implemented 8,500 solar home system in different villages in the country.

PHOTO: POWER GRID

Picture shows the sighing ceremony of a contract between Power Grid Company of Bangladesh and ABB, Germany in the city yesterday.

Oxfam launches global campaign for fair trade on April 11

Oxfam is going to launch an international campaign titled "Make Trade Fair" on April 11, says a press release.

In Bangladesh, the launching ceremony will be held at a press conference in the city's National Press Club.

Oxfam and its partners around the globe and Bangladesh are striving to make existing rules and policies of world trade altered and adjusted so that trade can work for the poor.

Current unfair trade rules has resulted in a system that only makes the rich richer and the poor poorer, widening the gap between industrially developed North and underdeveloped South it said.

Bodies that dictate world trade, like WTO, World Bank, IMF, the US government, and EU, have made trade rules so adverse or vague that it can only increase vulnerability of poor countries, whose access to world market is limited, Oxfam said.

Bangladesh Express receives ISO 9002 certificate

Bangladesh Express Co Ltd, the licensee of Federal Express Corporation of USA, has been awarded the ISO 9002 by SGS Yarsley International Certification Services of the UK, says a press release.

The quality management systems of Bangladesh Express meets the requirements of ISO 9002.

Andrew Keenan, Managing Director of SGS Bangladesh Limited, presented the certificate to M Tanveer Madar, Managing Director of Bangladesh Express Co Ltd.

In his speech, Andrew Keenan appreciated the efforts made by the management and staff of Bangladesh Express to achieve internationally recognised management standard.

The certificate presentation ceremony was attended, among others, by Deputy Managing Director of Bangladesh Express A S M Azad Khan and Executive Director Bashir A K Chowdhury. Senior officials of both the organisations were also present.

PHOTO: FEDEX

Andrew Keenan, Managing Director of SGS Bangladesh Limited, presents the ISO 9002 certificate to M Tanveer Madar, Managing Director of Bangladesh Express Co Ltd. Also seen in the picture are high officials of both the organisations.

Mitsubishi-Tokyo Financial Group in the red

AFP, *Tokyo*

Japan's Mitsubishi-Tokyo Financial Group is estimated to have suffered an after-tax loss of some 1.1 billion dollars in the year to March 31, against its earlier forecast of a profit, a report said Sunday.

The major daily Yomiuri Shimbun reported that the financial group was set to make the downward revision possibly on Monday, taking into account larger-than-expected bad-loan write-offs and slumping share prices.

In November, the financial group said it might chalk up a consolidated after-tax profit of 20 billion yen but now it forecast a loss of 150 billion yen (1.14 billion dollars), the daily said.

With Mitsubishi-Tokyo running into the red, Japan's big four major banking groups have suffered losses in the last business year, the report said.

The daily said special inspections by the government's Financial Services Agency and failures of its overseas borrowers have resulted in an increase in losses to be written off by the group's affiliates, the Bank of Tokyo-Mitsubishi and Mitsubishi Trust and Banking Corp.

The amount rose to over 600 billion yen from an earlier estimate of 480 billion yen, the report said.

Falling stock prices have also expanded the mark-to-market appraisal losses of the banks' shareholdings.

The group was formed in April last year through an alliance among Tokyo-Mitsubishi, Mitsubishi Trust and Nippon Trust Bank Ltd.

Riyadh mulling income tax for foreign workers

AFP, *Riyadh*

Oil-rich Saudi Arabia is mulling over the imposition of income tax on foreign workers in the kingdom, Finance Minister Ibrahim al-Assaf told Al-Iqtissadiya newspaper Sunday.

The Shura, or advisory council, is currently reviewing a draft bill that aims to "impose income tax on foreign individuals, and reduce tax on foreign companies from 45 per cent to 30 per cent," Assaf said.

A bill was issued 50 years ago stipulating that foreigners working in the oil-rich kingdom should pay income tax, but it was never implemented.

Assaf stressed that the rate of income tax on foreign individuals would be "lower than the 30 per cent proposed for companies."

Around seven million expatriates live and work in Saudi Arabia, five million of them employees mainly in the private sector. Unofficial figures indicate foreigners remit around 18 billion dollars to their countries annually.

The Shura has been reviewing tax legislation over the past months in a bid to reduce taxes on the profits of foreign companies in an effort to lure the billions of dollars in foreign investment required to boost the Saudi economy.

Assaf ruled out imposing income tax on Saudi citizens or companies, but the measure will be extended to joint ventures.

Saudi companies already pay Zakat, the Islamic form of taxation, which works out as 2.5 per cent of a firm's annual turnover.

Saudi Arabia, which sits on a quarter of the world's proven oil reserves, is projecting a 12-billion-dollar budget deficit for the current 2002 fiscal year.

Power Grid signs deal with German firm to install transmission line

Power Grid Company of Bangladesh Ltd (PGCB) yesterday signed a turnkey contract with ABB, Germany for construction of 47 km 230-KV transmission line from Hasnabad to Tongi via Aminbazar, says a press release.

The contract value is Tk 530 million of which the foreign currency component is about Tk 430 million.

The construction of the line will be completed within 25 months. On completion of the line a 230-KV transmission ring around Dhaka city will be installed.

As a result of the project, the release said, stability of power transmission to the western part of greater Dhaka will increase manifold, voltage will improve and it will help meet increasing load demand satisfactorily.

This transmission line is a component of Dhaka Power System Upgrade Project of the Asian Development Bank. The line's foreign currency expenditures are being met from the project.

WB chief urges Kazakhstan to reduce poverty

AFP, *Almaty*

World Bank President James Wolfensohn challenged the authorities in Kazakhstan Sunday to reduce poverty now that the country has been put on the map following its support for the US-led war in Afghanistan.

"The challenge is to deal with the questions of poverty and social equity and we are having open and constructive discussions with the administration on these subjects," the World Bank chief, currently touring Central Asia, said after talks with Kazakh Prime Minister Imangali Tasmagambetov.

Kazakhstan's economy experienced 13 per cent growth in 2001 and 9.5 per cent growth in 2000 but experts are concerned about the country's over-dependence on its natural resources, particularly oil.

"I think everyone that I have spoken to is concerned about the over-dependence on natural resources and particularly oil. And the challenge is how to get the benefits of this income to as many people as possible," Wolfensohn said.

The World Bank chief also stressed transparency although he said he knew nothing about reports that Kazakh President Nursultan Nazarbayev ordered a secret fund of around one billion dollars be set up in 1996 as a reserve in case of an economic crisis.

Artists to woo tourists back to Indian Kashmir

AFP, *Srinagar, India*

The government of Indian-administered Kashmir is bringing leading Indian artists to the Himalayan state in a bid to woo back tourists scared off by 13 years of daily killings.

"We are sending a positive signal outside the state that the spring in Kashmir has set in, and it is time for tourists to come here," Parvez Dewan, Kashmir valley's Divisional Commissioner, said Sunday.

Dewan is organising a two-day festival starting Saturday designed to make tourists equate Kashmir once again with its spellbinding mountains and lush valleys, not bloodshed.

The festival hopes to draw top Indian stars to perform alongside local talent.

So far two Indian artists' attendance has been announced: designer and filmmaker Muzaffar Ali and Hindi pop dancer Anamika Singh.

Similar festivals before an Islamic separatist insurgency broke out in 1989 worked wonders for Kashmir, once a popular retreat for hundreds of thousands of tourists from India and the West.

But skeptics wonder whether the festival will work the same magic this time, when an average of eight to 10 people still die each day in clashes around the state.

The festival's start date of April 13 is considered the traditional start of the tourist season in Kashmir, which enjoys cooler summer temperatures than most of the sweltering subcontinent.

Some 100,000 Kashmiris owe their livelihoods to the tourist trade.

"April is the time when tourists from Gujarat and Maharashtra visit Kashmir," said Dewan, referring to two western states that are among India's wealthiest.

"The festival would help us reach out to them with the message that Kashmir is ready to welcome the tourists."

Kashmir is no stranger to the Indian entertainment world. The Bollywood film industry used to shoot in the state for its scenic backdrops, booking hotels far in advance.

But film crews have largely avoided Kashmir since the violence erupted, often instead going abroad, particularly to Switzerland.

The Kashmir government is pulling out all the stops for the festival, which Dewan -- formerly head of tourism for the state -- hopes will draw tourists from India and abroad.

Hotel and restaurant owners have announced a 50 per cent concession for tourists who make advance bookings next weekend.

State-owned buses will also operate free of charge to bring schoolchildren to the capital for the festivities.

The festival will include a performance at the Mughal era gardens overlooking Srinagar's celebrated Lake Dal, where a boat race will be held.

The state government said more festivals are being planned in coming months across Kashmir.

Lebanon, Iraq ink free trade agreement

AFP, *Beirut*

Lebanon and Iraq signed a free-trade agreement here Saturday, official sources said here.

Lebanon is the seventh Arab country, after Algeria, Egypt, Syria, Tunisia, the United Arab Emirates and Yemen, to clinch a free-trade agreement with Iraq, which has lived under international trade sanctions since its ill-fated 1990 invasion of Kuwait. The deal was signed by Iraqi Vice President Taha Yassin Ramadan and Lebanese Prime Minister Rafiq Hariri.

Ramadan, who arrived in Lebanon Wednesday, called the trade agreement "a huge step."

Hariri said the two Arab countries wish "to develop their economic cooperation."

The agreement calls for the elimination of custom duties and taxes on Lebanese and Iraqi products.

The deal had first been announced last July, but was delayed without any explanation offered.

Lebanon broke off ties with Iraq in 1994 after the assassination of an Iraqi opposition leader in Beirut, but reopened diplomatic relations in 2001 at the level of charge d'affaires.

Property market boom keeps Duke top on UK rich list

REUTERS, *London*

The Duke of Westminster has maintained his position as Britain's richest person, helped by a booming property market, according to the Sunday Times Rich List 2002.

The duke's personal wealth, which is thought to lie predominantly in real estate swelled to 4.7 billion pounds ($6.74 billion) this year, from 4.4 billion in 2001, the newspaper's list showed.

His holdings include 300 acres (121 hectares) in London's luxury Mayfair and Balgravia areas, as well as estates around Britain.

Food packaging tycoon Hans Rausing, head of Swedish-based Tetra Laval packaging, retained his second place spot with 4.5 billion pounds; while Lord Sainsbury, of the British Sainsbury supermarket chain, moved up one place to number three with 3 billion pounds.

The personal fortunes of Britain's wealthiest people continued to grow this year, despite fears of an economic downturn after the September 11 attacks on the United States.

Those involved in property and retail were the year's economic winners, while the losers were one again the fading high-tech and dotcom stars, the paper said.

Two years ago at the height of the dotcom boom, there were 62 Internet millionaires. Last year the number fell to 26; this year there were 13.

The year's biggest success story was business tycoon Philip Green, who turned around the ailing retail group Bhs.

He is now worth 1.2 billion pounds, according to the paper, and his fortune is growing at a rate of 120 million pounds a year.

Men once again dominate the rich list, but one woman has made it into the top tan.

Charlene de Carvalho daughter of brewer Freddie Heineken inherited a 2.96 billion pound fortune when her father died and together with husband Michael, is the year's highest new entry at number four.

Queen Elizabeth, whose fortune is estimated at 275 million pounds, is in 125th place.

Azerbaijan's state oil firm to offer shares in Caspian pipeline scheme

AFP, *Baku*

Azerbaijan's state oil company SOCAR is set to hold talks with companies interested in joining a US-backed Caspian oil pipeline project, a top SOCAR official said Friday.

The Baku-Tbilisi-Ceyhan (BTC) pipeline will link the Azeri capital Baku with the Turkish Mediterranean, transporting Azeri and possibly Kazakh oil to Western markets.

Oil companies are welcome to bid for some 12.5 per cent of the project's shares, said Valekh Aleskerov, head of SOCAR's foreign investment department.

SOCAR will remain the project's main negotiator only until June or July, when final approval is given to the construction project, Aleskerov said, urging prospective investors to hurry up.

"Before the project is approved, companies will be able to join the project on more profitable conditions than after the approval, when the conditions will be commercially harsher," he warned.

The pipeline will be 1,750 kilometres (1,085 miles) long and cost an estimated 2.875 billion dollars (3.297 billion euros) to build.

The project consortium is currently made up of SOCAR, BP, which is also the operator, Statoil, Eni Agip, Unocal, Delta Hess, TPAO and Itochu. Pipeline construction is scheduled to begin in the second half of this year.

Russia's Lukoil, ChevronTexaco and TotalFinaElf are among those who have expressed an interest in buying BTC shares.

Capital investment by Japan cos to dip further

AFP, *Tokyo*

Capital investment by Japan's major companies will further shrink in the new fiscal year as they become selective in the face of market slumps and stiffening competition, according to a survey published Sunday.

The survey showed capital investment, planned by 113 firms for the year to March 2003, will be 12.9 per cent lower than their actual investment in the preceding year, the Nihon Keizai Shimbun said.

It was the second straight annual decline following a 3.3 per cent fall in the year to March 2002.

Their budgets for spending in plants and equipment totalled 10.7 trillion yen (81.1 billion dollars) on a group basis, including 5.2 trillion yen from 83 manufacturing firms and 5.5 trillion yen from 30 non-manufacturing firms, the leading business daily said.

With companies in key sectors, including electronics, autos and steel, slashing their outlays, capital investment by manufacturing firms is estimated to fall 10.7 per cent.

The rate of decline for the non-manufacturing industry is 14.8 per cent with telecom carriers leading the downturn, the survey showed.

The electronics sector, which slashed capital spending by 32.7 per cent in the year to March 2002 after the collapse of the information-technology boom, is expected to reduce investment by another 7.9 per cent in the new year.

Automakers are also curbing capital investment. Toyota Motor Corp. is slashing expenditures by 14.6 per cent now that investment in its French factory is nearly complete, the report said.

Telecom carriers, which account for a large share of total non-manufacturing capital investment, will reduce outlays by 20.4 per cent while power utilities are also projecting cuts of more than 10 per cent as they brace for stiff competition resulting from deregulation, the report said.

About a half of companies planning cuts in capital investment said they would postpone investment projects not deemed essential, the report said.

It quoted Hitachi Ltd. president Etsuhiko Shoyama as saying: "Since the economy is unlikely to stage a sharp recovery anytime soon, we have no choice but to be cautious about our capital investment plans."

Of the 113 companies, which offered valid responses to the survey, 25 mentioned their overseas investment budgets, which showed an annual decline of 5.2 per cent with the wave of spending by chip producers having run its course.

On the other hand, many companies are shifting manufacturing bases to China.

In the poll, 72 firms replied about overseas investment and 44.4 per cent of them said China is the most important of all countries when it comes to overseas investment.

On the other hand, 20.8 per cent cited the United States and 20.8 per cent Southeast Asia.

Hotels Int'l Ltd declares 20pc bonus share

Hotels International Limited (HIL), the owning company of Pan Pacific Sonargaon Hotel, declared a 20 per cent bonus share for its shareholders, says a press release.

The decision came at the 23rd annual general meeting (AGM) of the company held at the Pan Pacific Sonargaon Hotel on Friday.

Md Shafiqul Islam, Secretary-in-Charge, Ministry of Civil Aviation & Tourism, and Chairman of HIL, presided over the meeting. The company made a net profit of Tk 30 crore (approx).

The company also declared its plan to renovate and refurbish Pan Pacific Sonargaon Hotel and go for an expansion programme taking into consideration the needs of the new millenium.

PHOTO: HOTELS INT'L LTD

The 23rd annual general meeting of Hotels International Limited, the owning company of Pan Pacific Sonargaon Hotel, held at Pan Pacific Sonargaon Hotel in the city on Friday.