

Daffodil launches cab web portal

STAR BUSINESS REPORT

As taxicabs are increasingly becoming popular in the country, Daffodil software has come up with a web portal to facilitate emerging cab business.

Waking early in the morning one may search haplessly for a telephone number of a cab company. But the search would not be futile exercise if he goes to site www.cabbangladesh.com.

The site hosts addresses, telephone numbers, digital city map, taxi news, advertising and selling of taxicabs.

A passenger who had left something in a cab can also click the lost and found icon on the web portal. If the passenger is lucky he will find it right there and know where to contact for getting his lost item.

The site is first of its kind in Bangladesh, creating scopes for the taxicab companies to promote their business in one hand. And on the other hand it provides information that would help to board a taxicab conveniently.

"Besides, promoting tourism is also one of the main objectives of launching the web site," an official of the company said.

BKMEA's new president



Monjurul Hoq, founder President of Bangladesh Knitwear Manufacturers & Exporters Association (BKMEA), has been elected president of the association for the year 2002-2003 for the third time, says a press release.

The other elected office bearers of the association are: Al-haj Habibur Rahman-1st vice-president, Al-Haj Abu Ahmed Siddique-2nd vice-president, Mohammad Hatem-3rd vice-president and Shabbir Alam Khandaker-vice president (finance). The newly-elected executive committee members are: Abul Hasnat, Abdus Sobhan Miah, MA Rahman, Shafi Rahman, Abdul Quadir, Khwaja Azizul Hoque, Shah Alam, Shameem Ahmed, Kashem Jamal, Akram Hossain (Dipu), AH Aslam Sunny, Md. Anisur Rahman, AKM Zahidul Hoque Bhuiyan, SM Salauddin, MA Basher, Sk Haider Ali, Al-Haj GM Haider Ali, Al-Haj Abdur Razaque, Khaja Rahmatullah, SM Nasiruddin and Uttam Kumar Saha.

Two new vice chairmen of BGIC



Ragib Ali and Kalim Sharafi have been elected vice chairmen of Bangladesh General Insurance Company Ltd (BGIC), says a press release.

The election was held at the 74th meeting of Board of Directors at the company on Sunday. MA Samad, Chairman and Managing Director of the company, presided over the meeting. The Board had earlier decided to create two posts of vice chairmen to ensure wider participation of the directors in the management of the company.

A renowned businessman Ragib Ali is also associated with a number of socio-economic and educational institutions. Kalim Sharafi, a well-known Tagore song exponent, has long been associated with insurance business.

ROK external debt down

AFP, Seoul

South Korea's external debt shrank to 121 billion dollars at the end of February from 121.8 billion dollars a month ago, reflecting a fall in long-term external debt, officials said Thursday.

Foreign debt stood at 28.5 per cent of gross domestic product at end-February, compared to 28.8 per cent at end-January, the Ministry of Finance and Economy said.

3 ICB subsidiaries to launch operation next week

MONJUR MAHMUD

The three unbundled companies of the Investment Corporation of Bangladesh (ICB) for merchant banking, asset management and stock brokering are going to launch their operations next week.

ICB officials said they have already obtained approval from the finance ministry and the proposal is currently lying in the law ministry for vetting.

"We are fully ready and hope the new subsidiaries will start functioning after gazette notification within a week," ICB Managing Director Md Ziaul Haque Khondker told this correspondent yesterday.

He said ICB Capital Management Company Ltd would function as a merchant bank with Tk

two crore paid up capital. "As a merchant bank its function would include underwriting, issue management, portfolio management and investors' scheme under different investors' account."

ICB Asset Management Company Ltd will operate the unit fund and new mutual funds. The company is coming up with Tk three crore paid up capital, Haque said.

He said ICB Securities Trading Company Ltd will be in business of securities trading and it will operate as a stock brokerage house. It will operate with Tk 25 lakh paid up capital.

Of the six board members in each subsidiary company, three have been nominated from private sector.

The ICB MD hoped the new companies would help develop the capital market.

The present company will remain in the form of

a holding company with its board discharging its existing functionality. It will also be responsible for operating its existing eight mutual funds worth Tk 17.50 crore and four crore unit certificates valued around Tk 500 crore.

Following the gazette notification, the ICB will stop selling unit certificates and opening investment accounts, he said.

"Investors who are with us today would not be affected at all. Rather, they are going to get better services and return on investment. The subsidiary companies will compete with other private companies and handle the new investors of the capital market," Ziaul Haque Khondker maintained.

The subsidiary companies had been formed to meet the Asian Development Bank conditionality for capital market development fund.

Inland transport owners to stop activities thru' Mongla from Apr 28

Exemption of landing, other charges demanded

QUAZI AMANULLAH, Khulna

Inland transport owners have threatened to suspend all sorts of transactions and trade activities through Mongla port from April 28 demanding exemption of landing and other port charges.

Leaders of Khulna Divisional Inland Water Transport Owners' Association have set April 27 as deadline for fulfilling their demand.

The association officials said landing charge and port dues are not applicable to users of Chittagong port, resulting in switch

of business from Mongla port to Chittagong port.

"Traders are now using Chittagong Port for carrying cargoes. Mongla port now remains unused," one association leader told this correspondent.

It may be mentioned here that Mongla Port Authority reduced landing charge to eighty per cent on bulk for fertiliser and clinker only for incoming foreign ships coming from Harbours area to Hiron point. This decision came into force on April 1, 2002, which will continue for next year.

But the circular of Mongla Port Authority (MPA) has failed to ease the tension. They have put the MPA circular in question.

Meanwhile, pilferage of valuable goods from foreign ships in Mongla port has become a common phenomenon in these days, tarnishing the image of the port. Even sometimes, gangs raid foreign ships and take away goods from the vessels. The gangs also sell these items in a shopping centre near the port called Singapore Market.

Some organised gangs are also involved in stealing fuel from foreign ships and other watercrafts.



An agreement between Navana Ltd and Islami Bank Bangladesh Ltd was signed recently for marketing of Japan made Hino bus and mini bus in Bangladesh. Picture shows Shafiqul Islam Kamal, Chairman of Navana Group, and Habibur Rahman, Senior Vice President of Foreign Exchange Branch of Islami Bank Bangladesh Ltd, signing the agreement on behalf of their respective organisations.

IMF sets conditions for helping Argentina beat recession

AFP, Buenos Aires

An IMF team said it would help Argentina out of its economic recession if the country slashed public spending, contained inflation, restored trust in the banking system and dealt fairly with businesses and foreign investors.

The International Monetary Fund is "firmly determined to help Argentina find its way out of this crisis and return to sustainable growth, once a solid (recovery) program is in place," the head of the IMF's technical mission, Anoop Singh, said in a statement Wednesday.

IMF officials arrived here Monday to review Argentina's economic recovery plan as a condition for obtaining fresh loans. They will remain here until April 17.

An IMF spokesman late last month said it was unlikely Singh's negotiating mission would lead to an agreement on a new loan, which would probably be hammered out after the April 20-21 IMF/World Bank spring meetings.

Argentina eventually stands to receive between five billion and nine billion dollars in aid -- far less than the 23 billion the government says it needs to find its way out of the economic crisis.

The country has been in recession for nearly four years. Unemployment has risen to 22 per cent, and 47 per cent of the population lives in poverty.

Social unrest is on the rise. On Wednesday police in the central city of Cordoba fired tear gas and rubber bullets at some 50 jobless men who were looting a truck loaded with foodstuff.

"The root of the crisis lies in fiscal policy mistakes," Singh said. "The structure of public administration in Argentina (state and federal governments) has increased public spending to a level that has made orderly financial activity impossible."

He said inflation, badly organised bond issues and debt default had dried up Argentina's Central Bank.

In order to set the financial house straight, Singh, in his five-page statement, suggested a series of measures Argentina needed to take.

Chief among them was "establishing clear and precise objectives for inflation as Brazil did after its difficulties in 1999," he said, adding that Argentina's Central Bank was "working to create the right conditions" for such a system.

The IMF suggested a "solid monetary policy" to contain spiralling inflation -- 10 per cent so far this year.

It said the government should come up with "a strategy to restore trust in the banking system" and stimulate growth -- an estimated 14 billion dollars in bank accounts have been frozen.

"Everywhere we go we hear resentment against the 'corralitos'

(frozen bank accounts)," Singh said. "With a strong set of macroeconomic measures trust should be restored creating conditions that will lead to the gradual and orderly lifting of banking restrictions."

He also recommended replenishing banks' funds, which were depleted when the peso's peg to the US dollar was dropped and a two tier exchange rate system was established: one peso-one dollar for private debts, and one peso-1.40 dollars for bank deposits.

The IMF also asked for "incentives to restore the trust of foreign investors and to stimulate business restructuring," including the privatisation of public utilities whose tariffs have been frozen by the government.

Argentina should also adopt "internationally recognised" bankruptcy proceedings, the IMF said. "All these efforts can only succeed with the participation of the provinces," and by slashing the national deficit at the end of the year by an agreed 60 per cent to two billion dollars, from five billion last year.

The IMF also recommended that Argentina, in its economic reforms, "do all it can to strengthen the safety net for the poor."

Japan aims for higher tax on tobacco

AFP, Tokyo

Japan's Finance Minister Masajuro Shiokawa on Thursday said he hoped to raise taxes on cigarettes from next April.

"I would like to ask for some light tax increases," Shiokawa said in parliament.

"I think smokers would understand to some extent," he told an upper-house committee on fiscal and financial affairs.

His ministry gave up hiking tobacco taxes in the fiscal year starting this April in fear of protest from smokers.

Meanwhile, Chief Cabinet Secretary Yasuo Fukuda suggested the government's new package to fight deflation should include tax cuts.

"I think we will not be able to avoid tax issues, including tax cuts," he told a news conference.

Tokyo unveiled a plan at the end of February to boost Japan's economy by fighting deflation, including measures to prop up the slumping stock market.

Shiokawa has since said a decision on possible tax reductions could be made by June following a meeting by the government's Council on Economic and Fiscal Policy.

Spectrum taking part in Intel Solution Summit



TR Rahman, Director of Spectrum

Spectrum Engineering Consortium Limited is taking part in the three-day Intel Solution Summit-2002 in the Chinese city of Shanghai, says a press release.

The summit which began on April 11, 2002 will continue till tomorrow. Tanvir Ehsanur Rahman, Director of the company, will represent Bangladesh at the summit.

Authorised distributors of Intel products are taking part in the summit.

Workshop for ad professionals concludes

A two-day workshop on 'creating an effective campaign' organised by the Advertising Agencies Association of Bangladesh has ended.

The workshop was held at the BRAC Centre in the city on April 9 and 10, 2002, says a press release. 38 advertising professionals attended the workshop.

The participating advertising agencies included Adcomm Ltd, Andes Ltd, Asiatic MCL, Center for Marketing Communications, Expressions Limited, Grey Advertising Ltd, Intersped Limited, Mattra, Mediacom Ltd, Protishabdo Communications Ltd, and Rohita Advertising Ltd.

Sumit Roy, Founder Director of Unibrands (India) and a renowned trainer on advertising and marketing, conducted the workshop.

The members of the Advertising Agencies Association of Bangladesh felt that this kind of workshop is essential for developing true advertising professionals who will be able to contribute greatly in developing the standards of advertising and marketing in the country.

Tailored WTO rules deprive poor nations of \$ 100b a year

Oxfam launches Make Trade Fair campaign

STAR BUSINESS REPORT

World trade rules formulated in favour of rich countries deprive the poor of \$ 100 billion a year, Oxfam, an international charity organisation, observed while launching its worldwide campaign Make Trade Fair yesterday.

"Against a single US dollar aid to poor countries, the rich nations make a return of two dollars through discriminatory trade," Oxfam stated in its Global Trade Report titled "Rigged Rules and Double Standards" which was disclosed yesterday at a press conference at the National Press Club in the city.

Mona Lazzo, Regional Media Co-ordinator of Oxfam for South Asia, and Selina Shelley, Representative of Oxfam Programme in Bangladesh, addressed the press conference.

The campaign announced in 18 cities around the world will lobby for

changes in trade rules that the London-based aid group says shut exports from poor countries, preventing billions of people from escaping poverty.

Mona Lazzo said the report is based on the experience of Oxfam, a confederation of 12 NGOs in more than 80 countries to find lasting solutions to poverty.

Shelley said between 1988 and 1993 the world's poorest five per cent lost almost a quarter of their real income while the top five per cent gained 12 per cent.

Quoting from the report, she said more than 40 per cent of the world's population lives in low-income countries but they currently account for only three per cent of world trade.

She said the rich countries spend \$ 1 billion a day on agricultural subsidies which lower production prices and when the surpluses are exported on world market the farmers of the poor countries lose busi-

ness in competition. If Africa, East Asia, South Asia and Latin America can increase their share of world exports by just one per cent, it could lift 128 million people out of poverty, she said.

Oxfam two-day campaign against unfair trade began in the city with a human chain of garment owner, workers and celebrities in the front of Institute of Engineers, Bangladesh.

Today the campaign will begin with an art competition of children of garment workers at Ramna Restaurant at 9am in the morning. A colourful procession of RMG workers will parade the city streets in the evening.

With the worldwide campaign, Oxfam is pushing for revisions in patent and copyright rules so that poor countries can afford new technologies and basic medicines.

Oxfam invited any individual to join the campaign through web site at www.maketradeair.com.



Garment workers, owners of garment units and other people form human chain in the city yesterday to mark the launching of Make Trade Fair campaign by Oxfam.

S'pore eyes big income tax cuts to boost economy

AFP, Singapore

A high-powered Singapore government committee unveiled plans Thursday to slash corporate and personal taxes by up to 23 per cent in an economic overhaul to boost the island's competitiveness.

To partially offset the cuts, the goods and services tax (GST) would be raised next year from three to five per cent.

The recommendations include reducing the top rate for personal income tax from 26 per cent to 20 per cent and corporate tax from 24.5 per cent to 20 per cent within three years.

The Economic Review Committee said cutting personal and corporate taxes was necessary to get the recession-hit economy back on a path of sustainable growth for at least the next 10 years.

"These measures are necessary to improve Singapore's economic prospects in a vastly changed and more competitive environment," said senior minister of state for trade and industry Tharman Shanmugaratnam, who headed a sub-committee looking at the tax system.

The proposed tax changes will also create new jobs after the unem-

ployment rate hit a 15-year high of 4.7 per cent last year, Shanmugaratnam said.

"Companies are moving, jobs are being lost and more importantly even when the economy has recovered, jobs aren't necessarily going to come back and old jobs may not return," he said.

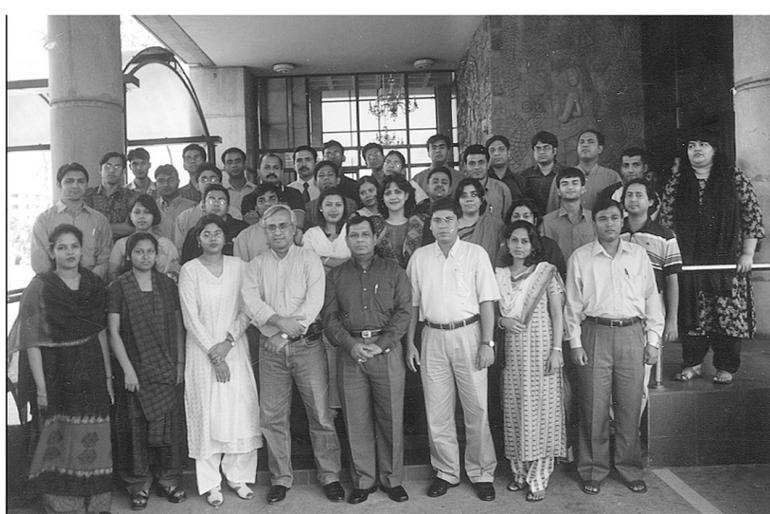
"That's the new environment that we are in. So what do we do? We need to take decisive action to improve our competitiveness and a key component of that involves reducing income taxes."

Analysts described the recommendations as "substantial" and the sensitive share market rose 25.23 points or 1.5 per cent, after falling 38.91 points the previous day on weaker than expected gross domestic product (GDP) figures.

"It's what Singapore needs to get it back on its feet especially after the first quarter GDP advance estimate released yesterday which showed a 2.6 per cent year-on-year fall," IDEAGlobal economist Paul Shymyck said.

Although the tax cuts did not put Singapore on par with its regional rival Hong Kong, Standard Poors MMS International economist David Cohen said they recognised the need to be competitive.

"The tax cuts are substantial..."



Members of the Advertising Agencies Association of Bangladesh pose for a photograph at the end of a two-day workshop for advertising professionals in the city on Wednesday.