

SEC decision on one year lock-in protested

STAR BUSINESS REPORT

Bangladesh Merchant Banker's Association (BMBA) has protested a Securities and Exchange Commission (SEC) decision to slap one-year lock-in on shares subscribed by institutional investors under private placement arrangements.

The protest was made during a general meeting of the association yesterday.

Later, the association in a press statement expressed grave concern over the SEC decision saying that the regulators did not consult them prior to imposing such a restriction, which will directly affect the merchant banks' business.

"It was therefore decided in the meeting that the association will formally take the issue with the SEC," the statement said.

New MD of Al-Arafah Bank



Md Yousuf Ali Hawlader has joined Al-Arafah Islamic Bank Ltd as managing director, says a press release.

Prior to his joining the new position on Wednesday, he worked as Managing Director in Bangladesh Shilpa Rin Shangstha and Deputy Managing Director of Sonali Bank.

In his 35-year banking career, he served in five different banks. He started his banking career as probationary officer (Gr-II) in Muslim Commercial Bank Ltd in the year 1966.

He took part in different reform committees/bodies of different banks including Bangladesh Bank. He visited different countries including UK, Pakistan and USA.

Saudi importers allowed to re-export to Iraq

AFP, Riyadh

Saudi importers have been allowed to re-export non-Saudi products to Iraq in a bid to boost trade between the two Arab states, the chairman of the Saudi Export Development Center was quoted as saying Thursday.

The decision, taken by Saudi Commerce Minister Osama Faqih, would benefit Saudi importers and the Iraqi market, Abdulrahman al-Zamel told Al-Iqtissadia business daily.

Zamel made the announcement after meeting Wednesday with Iraqi Minister of Industry and Minerals Muayassar Shallah, who visited Riyadh to attend a conference of Arab industry ministers.

Baghdad will post customs officers at the Iraqi side of the Arar border crossing with Saudi Arabia in preparation for opening the post, closed since Iraq's 1990 invasion of Kuwait, Zamel quoted Shallah as saying during the meeting.

China agrees to help develop Pakistan's huge coal reserves

REUTERS, Karachi

China has agreed to help develop Pakistan's huge coal reserves, estimated at more than 184 billion tonnes, and surveys of the country's largest coalfield in southern Sindh province will begin by July, a senior official said.

Thar, Pakistan's largest unexploited coalfield, located some 380 km (237 miles) from the port city of Karachi, spreads over an area of 9,100 sq km (3,512 sq miles) and has estimated deposits of 175.5 billion tonnes.

"The Sindh government has signed an agreement this week with state-run Chinese firm Shen Hua Group Corporation to conduct geological investigations at Thar coal field," Abdul Chani Pathan, Director General of Sindh Coal Authority, told Reuters in an interview late on Wednesday.

PSI rules undergo changes

Exporters' opinion made mandatory for price fixation

SHAHRIAR KARIM

A committee on pre-shipment inspection (PSI) yesterday decided to make certain changes in the system to make it more effective and transparent.

The meeting of the committee agreed to make it mandatory for the PSI companies to take exporters' opinions before price fixation of any imported consignments, sources privy to the meeting said. The committee was formed on the heels of several complaints made by the business community about the customs assessment procedure.

Also the committee asked the customs authority to consult the

importers and PSI companies if it wants to make any changes in the price of CRF (clean report on finding) or HS code.

Besides, the committee decided to form settlement body at each customs house to settle dispute regarding CRF, if there is any.

The committee comprising representatives from the government authorities and private sector reached to a consensus on the issues. The National Board of Revenue (NBR) Member (customs) Monzur Mannan presided over the meeting.

Earlier, the committee framed different suggestions for the improvement of the PSI system in

consultation with different business bodies.

However, the meeting could not discuss all the issues. It will sit for a few more meetings to discuss other suggestions, the meeting sources said.

The meeting also decided to reconstruct the review committee and include representatives of Tariff Commission, Bangladesh Bank and C&F agents on that committee.

However, a proposal to suspend bill of PSI companies in case of any irregularities found in CRF was turned down. The committee also did not endorse a proposal to adjust the financial penalty slapped on the

PSI companies from the suspended bill, if it is found committing any irregularity.

Another proposal to punish customs officials if they go for manual examination of more than 10 per cent of CRF without permission from the NBR was turned down. Rather, the committee emphasised on taking permission from the NBR if the customs officials want to examine manually more than 10 per cent of CRF.

The immediate past government introduced the PSI system on February 15, 2000, aiming to make import process less complicated and avoid tax evasion.

Commerce minister says

Agri, food exports sans hygiene to face setback

STAR BUSINESS REPORT

Commerce Minister Amir Khasru Mahmud Chowdhury said the country's agricultural and food products will surely face setback unless it maintains hygiene.

Putting accent on following sanitary and phytosanitary standards, the minister said development partners may provide both financial and technical assistance to improve supply capacities and export diversification, but it is highly unlikely they will compromise with product standards.

"So to increase exports we have to give more emphasis on improving our product standard," the minister said.

The minister was inaugurating a two-day seminar on Implementation of WTO Agreement on Sanitary and Phytosanitary Measures organised by Bangladesh Tariff Commission in

collaboration with Export Promotion Bureau (EPB) and Bangladesh Standard and Testing Institution (BSTI) held at Planning and Development Academy in the city yesterday.

Presided over by Qazi Humayun Azad Baksh, acting chairman of Bangladesh Tariff Commission, the inauguration ceremony was also attended by Commerce Secretary Suhel Ahmed.

In order to protect public health in general and ensuring smooth flow of exports in particular we need to train and educate the researchers, farmers, policy makers, NGO staff and consumers, commerce minister added.

Amir Khasru Mahmud Chowdhury also stressed on developing inputs of organic production in line with market demand.

Referring to a July 1997 incident when the European Commission

imposed a ban on import of frozen shrimp from Bangladesh on the ground of non compliance with importer's hygienic regulations, the commerce secretary stressed the need for maintaining hygiene while producing, processing and packing exportable items.

The ban continued for about eight months. During the time, the export of frozen shrimp declined steeply from 46.4 million to 8.1 million US dollars and nearly 80 per cent of the shrimp processing plants were closed.

Seven papers covering almost all areas of the country's export trade will be presented in the seminar where participants come from all relevant fields dealing either directly or indirectly with sanitary and phytosanitary standards.

Microsoft closing arguments set for June 19

AFP, Washington

US District Judge Colleen Kollar-Kotelly has scheduled closing arguments in Microsoft's anti-trust hearing to take place June 19, one of the state officials in the case said Monday.

Tom Greene, assistant attorney general for California, said the date was set following a telephone conference call with Kollar-Kotelly, lawyers for Microsoft and for the coalition of states suing the company to set the schedule for the remainder of the proceedings.

Microsoft rested its case last week in the remedy phase of the proceedings before Kollar-Kotelly, after Greene and the states decided not to call any rebuttal witnesses.

The judge still has to make three key rulings before she makes her final decision about how the company should be treated in the wake of an earlier ruling that the company violated US anti-trust laws.

She will hear arguments on the scope of the remedy on Wednesday afternoon, and on Friday afternoon she will hear arguments on enforcement issues.



PHOTO: JANATA BANK

Managing Director of Janata Bank Murshid Kuli Khan distributes loan-sanction letters among women entrepreneurs under the Mohila Uddoktya Unnayan Karmasuchi scheme at Satmosjid Road branch of the bank in the city yesterday. Deputy Managing Director of bank M Ziaul Hoque, General Manager (Admn.) Mahabubul Alam, Board Secretary DGM Md. Nazrul Islam and DGM Dhaka Zone-C Shafiqul Islam were also present on the occasion.

ECNEC okays 16 schemes

UNB, Dhaka

Executive Committee of National Economic Council (ECNEC) has approved 16 development projects involving Tk 4,839.58 crore, including Tk 1,788.59 crore in project aid.

The projects were approved in a meeting at the NEC conference room with Finance and Planning Minister in the chair yesterday.

The approved projects include setting up of fire service and civil defense stations in 32 important districts and construction of 19 district jails under Home Ministry, Greater Dhaka Telecommunications System Development (2nd Phase-3rd revised), installation of 2,66,000 digital telephone lines and establishment and expansion of digital telephone exchanges in different district towns under Post and Telecommunications Ministry and aman production boosting project

through supplementary irrigation assistance to drought-prone areas and Ashuganj-Polash Agro-Irrigation Project, 2nd Phase (2nd revised) under Agriculture Ministry.

Other projects are construction of Sylhet Railway Station bypass (2nd revised), Madhyapara-Sahebganj-Mithapukur (with Bodorganj) road (revised) project, Uthle-Nail-Baruria (Paturia) Ferry Connection Road (revised), a 390.91-km long 18th bridge on Saina-Rajendrapur-Kapasia Road and South West Flood Rehabilitation Project under R&H Department, expansion of artificial breeding activities and establishment of regional duck breeding farms, including hatchery (2nd revised) under Fisheries and Livestock Ministry, cut scouting expansion project in primary schools (2nd revised) under Primary and Mass Education

Department and children and women development activities (2nd phase) project under Information Ministry.

LGRD and Cooperatives Minister Abdul Mannan Bhuiyan, Communications Minister Barrister Nazmul Huda, Industries Minister M K Anwar, Post and Telecommunications Minister Barrister Mohammad Aminul Hoque, Fisheries and Livestock Minister Sadek Hossain Khoka, Home Minister Altaf Hossain Chowdhury, State Minister for Power and Mineral Resources AKM Mosharrif Hossain and State Minister for Health and Family Welfare Aman Ullah Aman attended the meeting.

Members of Planning Commission, secretaries concerned, Governor of Bangladesh Bank and senior officials were also present.

Petronas raises \$ 2.67b in largest Asian corporate bond issue

AFP, Kuala Lumpur

Malaysia's national oil firm Petronas said Thursday it has completed the largest ever global bond issue by an Asian corporation to raise 2.675 billion dollars.

In its first return to the market since 1999, Petrolia Nasional Bhd. (Petronas) said its unit Petronas Capital Ltd. launched its first global multi-currency debt offering in New York on Monday.

The original offering was for a one-billion-dollar 10-year tranche and a 500 million euro seven-year tranche.

"International fixed income investors responded overwhelmingly towards the issue and placed orders amounting to around seven billion dollars equivalent," Petronas said in a statement.

The size of the issue was increased to 1.3 billion dollars and to 750 million euros. A 700-million-dollar 20-year tranche was also introduced as a result of the strong demand, it said.

Indian wheat exports slow down on good global supplies

REUTERS, New Delhi

Indian wheat exports have slowed down given sufficient global supplies and exporters are awaiting a pick-up in Asian demand to boost sales, traders said Wednesday.

They said South Korea, a major buyer of feed wheat, had completed purchases till August/September and buyers like the Philippines were restricting purchases.

"Indian wheat exports in the next two months will be lower at 200,000-250,000 tonnes per month compared with around 400,000 tonnes during the past few months, said an official with an international trading house.

Analysts said wheat shipments from India would also slow down during the four-month monsoon season which begins in June.

But traders said marketing efforts were expected to be aggressive from July when global demand is expected to pick up.



PHOTO: AFP

Japan's electronics giant Matsushita Electric unveils the high-performance digital camcorder "Digicam NV-MX5000", equipped with three 800,000-pixel CCD on its image sensor and 2.85-28.5mm/F1.6 Leica Dicomar zoom lens, which enables to shoot 3 mega-pixel pictures at the company's head office in Tokyo yesterday. Matsushita will put it on the market from July 1 with an estimated price of 1,300 US dollars.

Japan set to retaliate against US steel tariffs

REUTERS, Tokyo

Japan said it will notify the World Trade Organisation (WTO) on Friday of plans to retaliate against US steel tariffs after Washington rebuked Tokyo's last minute plea for compensation or an annulment of the hefty duties.

The trade ministry announced Thursday it planned to impose 100 per cent tariffs on \$4.88 million worth of US steel and steel products from June 18, the first action of its kind for Tokyo.

That would be part of a larger retaliation plan worth \$123.43 million to be implemented if the WTO ruled against the United States for placing tariffs of up to 30 per cent on steel imports to protect its ailing domestic industry.

The US decision in March has sparked threats of reprisals among

global steelmakers including the European Union and South Korea.

"We had been asking for compensation or an annulment of the duties, but the US did not respond, and so we will be informing the WTO of our plans," a trade official told a news conference.

"We've never been forced to take such action, but then there's never been a case like this."

Trade minister Takeo Hiranuma had asked US Trade Representative Robert Zoellick in a telephone call early on Thursday to consider compensation or an annulment of the tariffs, but the two sides failed to agree, the official said.

Friday is the deadline for Japan to submit a list of retaliatory measures.

But the official said Hiranuma and Zoellick agreed to keep negoti-

"In view of the importance of bilateral relations between Japan and the United States, we agreed to continue seeking a settlement of the issue through discussions," he quoted Hiranuma as saying after the phone call.

Japan will also ask the WTO after May 20 to set up a dispute settlement panel, he said.

The US tariffs come at a bad time for Japanese steel producers, which have seen domestic demand from builders and manufacturers slump as the world's second-biggest economy struggles with its deepest recession since World War Two.

The European Union, which has also been upset by the US tariffs, notified the WTO on Tuesday of its plans to impose 100 per cent retaliatory tariffs on a range of US goods, including textiles and fruit.



PHOTO: BCCAMEA

The 12th annual general meeting of the Corrugated Carton & Accessories Manufacturers & Exporters Association (BCCAMEA) was held at a city hotel on Tuesday. BCCAMEA President Iqbal Hossain presides over the meeting. Vice Presidents Taslim Uddin Chowdhury, Abdul Kader Khan and Nazimuddin Chowdhury, General Secretary Mir Mahmood Ali, Treasurer Rafez Alam Chowdhury and Advisor Safiullah Chowdhury are seen in the picture.