

ADB director due in city today

Sultan Hafeez Rahman, Director of Operations Coordination Division of South Asia Department of Asian Development Bank, is due to arrive in the city today on a 5-day visit to Bangladesh.

His visit will continue till June 14, 2002, says an ADB press release. During his stay Rahman will hold discussions with various cabinet members and senior government officials on the overall macro-economic situation, reform initiatives and issues relating to ADB's medium term operations in Bangladesh.

Rahman will also meet various secretaries as well as Governor of Bangladesh Bank and representatives of the private sector.

US blocks China's request for WTO panel on steel measures

AFP, Geneva

The United States on Friday blocked the setting up of an expert panel at the WTO to examine China's complaint that US steel measures violate global trade rules, trade sources said.

Beijing, marking its first such request since joining the 144-member World Trade Organisation, said it wanted the request for a panel reconsidered at a meeting on June 24, a source said.

Like the European Union, Japan and South Korea, China argues that the US three-year programme of up to 30 per cent tariffs on some imported steel violates US commitments under WTO rules.

But the US representative at a meeting Friday of the WTO's dispute settlement body told delegates that Washington believes the measures are fully consistent with WTO agreements.

Under WTO rules, the country "in the dock" can block a first panel request, but if the request is presented a second time a three-member panel is established automatically.

Workshop on audit held

A day-long workshop was held at the Zia Hall of Khulna City Corporation on recent reforms in local & revenue audit recently, says a press release.

The Comptroller & Auditor General of Bangladesh, Muhammad Ahsan Ali Sarkar, inaugurated the workshop as chief guest.

Md Nazmul Ahsan, divisional commissioner, Khulna, was the special guest on the occasion.

Speaking on the occasion, the chief guest said audit reforms are necessary to ensure the accountability and transparency of the government.

More than one hundred officers of division & district level in Khulna city and senior officers from Audit Department were present at the workshop.

Uzbekistan Airways workshop for agents held

A workshop for agents of Uzbekistan Airways was held at a city hotel Thursday, says a press release.

Kazi Wahidul Alam, Chairman of Airspan Ltd, GSA of Uzbekistan Airways, Orifan Ruzimuradov, country manager-Bangladesh of Uzbekistan Airways, Sq. Ldr. (ret'd) Abdullah Farooq, managing director of Airspan Ltd spoke on the occasion.

Kazi Nizamul Alam, director of Airspan Ltd, was present. Uzbekistan Airways will reintroduce its flight to Bangladesh from June 25.

The national carrier of Uzbekistan is now the only airline to connect the Bangladesh capital with the cities of Central Asia and the capital of Russia, Moscow as well, Wahidul Alam said.

"While other carriers offer special fares for Economy Class only, Uzbekistan Airlines offers special fares for First Class, Business Class and Economy Class," he said.

Speaking on the occasion Orifan Ruzimuradov said the management of Uzbekistan Airways stresses great importance on the Dhaka market and are happy to resume its flights here again.

Twice a week flight of Uzbekistan Airways will leave Dhaka every Tuesday at 10:45 in the morning and on Wednesday 11:30 in the evening.

Computer prices shoot up 20pc on budget proposal

ZAHIDUL HAQUE

The country's retail computer market has been witnessing 15-20 per cent price-hike since the government on Thursday proposed a 7.5 per cent import duty on computer and its accessories in the 2002-2003 budget.

Besides, many retailers are reluctant to sell products saying they are running short of stock. Even, importers and wholesalers are demanding 10 to 15 per cent extra prices for their products.

Importers said yesterday customs officials at Zia International Airport are demanding 10.5 per cent tax including the 3 per cent advance income tax (AIT), which has been waived in the proposed budget.

Importers quoting the customs

officials said airport officials are yet to have the latest Statutory Regulatory Order (SRO) to determine the customs duty on computer hardware.

But customs officials denied the allegation, saying they are not asking for import duty for computer products.

"There is no clear-cut directive from the government regarding the duty, even some customs officials are talking about Value Added Tax (VAT), which is usually levied on a taxable item," an importer said.

But there has been a severe crisis of computer peripherals in market as importers are abstaining from receiving their consignments from the airport due to the confusion.

It is also alleged many retailers

went for hoarding to make quick money.

Requesting anonymity a vendor of a computer store in city's Elephant Road area said it is very usual for the businessman to up the computer prices following the government's decision. But percentage of increasing rate will decline within a few days, he added.

Price of 1.6 GH Intel Pentium four processor including motherboard and 128 RAM ranged between Tk 19,200 and 22,000, showing an increase of 15 per cent. The 1.3 GH Pentium three processor's prices went up by 15 per cent from Tk 7800 to Tk 9000. Celeron 950 MH is up by 16 per cent from Tk 4100 to Tk 4800.

The price of 20, 40 and 60 GB hard disc drives increased by 17 per

cent from Tk 3750 to Tk 4400, Tk 4200 to Tk 5000 and Tk 5500 to Tk 5800 respectively.

Samsung's 15 and 17 inches monitors shot up by 15 per cent from Tk 5700 to Tk 6500 and Tk 9200 to Tk 10,500 respectively.

The prices of 16 and 32 MB graphics card were up by 18 per cent from Tk 1250 to Tk 1475 and Tk 1900 to Tk 2250.

Creative live value and Vibra's sound card went up by 19 per cent from Tk 1900 to Tk 2250 and Tk 900 to Tk 1100 respectively.

Aver media's external and internal TV card prices were up by 17 per cent from Tk 5500 to Tk 6500 and Tk 3100 to Tk 3600 respectively.

Asus's 52x CD-ROM drive prices went to 1900 from Tk 1650.

Southeast Bank holds business review confce

Southeast Bank Limited held a conference on business review and marketing strategy for the year up to December 2002 at a city hotel on Friday, says a press release.

The chairman of the Board of Directors Yussuf Abdullah Harun was present at the inaugural session as chief guest while Vice-Chairman Ragib Ali as special guest.

The business session was presided over by Syed Abu Naser Bukhtear Ahmed, President and Managing Director of the bank. All the executives at head office and branch managers of the bank were present at the conference.

Speaking on the occasion, the chairman Board of Directors stressed on the importance of introduction of new products in the bank, extending of better customer services through introducing On Line services including increasing network of branches of the bank during the year 2002.

The president and managing director of the bank said the deposit of the bank as on 31st December 2001 was Tk 1057.02 core which should be raised to the targeted position with combined efforts of all within December 2002.

DBBL managers' meet held

The 5th meeting-2002 of the managers of Dutch-Bangla Bank Limited was held at the bank's Training Centre in the city on Thursday, says a press release.

CM Koyes Sami, president and managing director of the bank, presided over the meeting.

The meeting was attended by the branch managers and senior executives of the head office.

In his opening address, CM Koyes Sami stressed on concerted endeavour to keep pace with the rapidly changing global business scenario. He said success in service industry like banking typically depends on strong long lasting relation with the clientele.

The meeting reviewed the performance of different branches in terms of deposit mobilization, new loan proposal, recovery of the existing loans and so on.

Pakistan eyes 4.5pc GDP growth for next fiscal

REUTERS, Islamabad

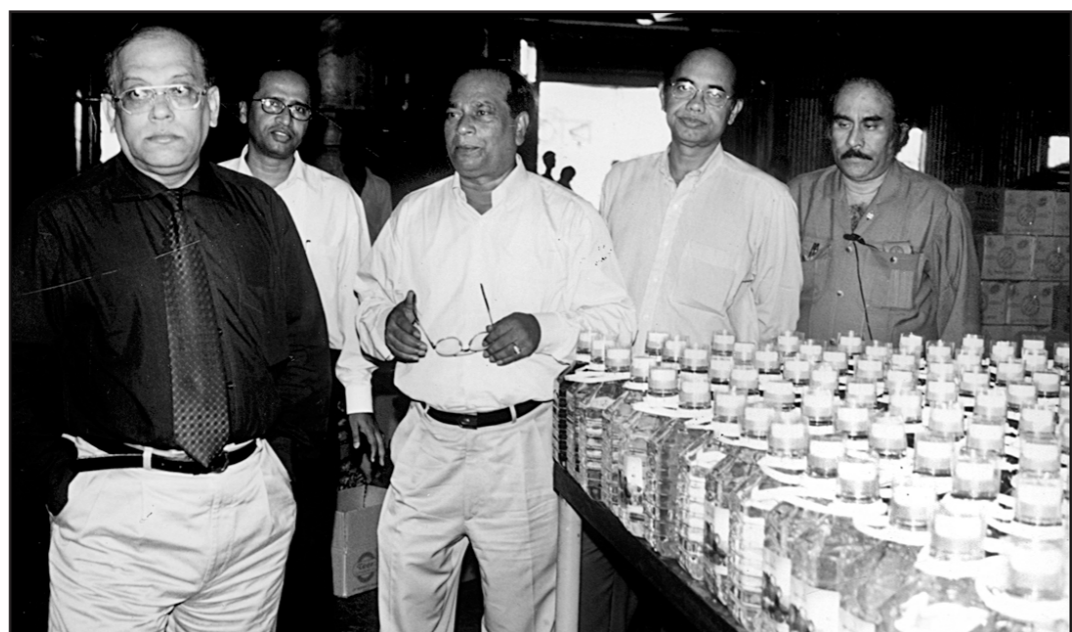
Pakistan on Saturday projected GDP growth at 4.5 per cent for fiscal 2002-03, after an estimated 3.6 per cent in 2001-02, ending June 30, Finance Minister Shaukat Aziz said.

The official APP news agency quoted him as telling reporters after a meeting of the policy-making National Economic Council (NEC) that it had approved a public sector development programme of 134 billion rupees (\$2.2 billion) for fiscal 2002-03 compared with the previous year's 127 billion rupees.

Aziz estimated gross domestic product (GDP) growth in this fiscal year at 3.6 per cent as against the previous year's 2.5 per cent.

The NEC meeting, ahead of the national budget to be announced later this month, was chaired by military President Pervez Musharraf, whose government is engaged with a border standoff with nuclear rival India for nearly six months.

APP quoted Aziz as saying Pakistan's defence needs would be fully met and all resources will be made available for defence.



Picture shows Managing Director of Janata Bank Murshid Kuli Khan visiting industrial unit CTPFT Ind Ltd financed by Janata Bank at Konapara, Dhaka recently to see productions, quality control system and other performances of the unit.

'Panic' travel warnings hurting Indian economy

AFP, Bombay

Advisories by foreign governments warning against travel to India -- and which New Delhi describes as "needless hysteria" -- are likely to hurt further the already-sluggish economy, analysts say.

While foreign governments have been criticised for having "panicked" and acted too soon in advising their nationals to quit India and Pakistan on fears of war, business executives say the effect had been to put key corporate decisions on the backburner.

Sectors bound to be immediately affected are foreign direct investments coming into India, foreign portfolio investments, software exports out of India, and the hotel and aviation sectors.

While some executives have left, most are adopting a wait-and-see approach in the hope that tensions ease between the nuclear-ready rivals.

"The situation continues to be of grave concern despite a little improvement compared to last Saturday," Alan Roseling, chief of British-based business group Jardine Matheson in India, told AFP. "I am staying put, but on the

advice of my government I have moved my children out of India. I can clearly see business decisions being affected for as long as the war fears last."

Roseling, who is visiting Bangalore, the country's infotech capital, said software exports would be a key victim.

"I am told outsourcing of computer software by multinationals from India is falling. This can affect the software exports of India severely," he said.

Business is bound to be affected further, he said, as officials of multinationals postpone their trips to India.

Kunal Dasgupta, chief executive officer of Sony Entertainment India, agreed.

"Although the media sector is not likely to be affected, our overseas visitors are postponing their visits. All this pinches business in the medium to long term," Dasgupta said.

Japanese firms operating in India are expected to be hit hard after Tokyo announced it was chartering a flight on Monday to fly its citizens out of India.

The domestic hotel and aviation sectors are expected to bear the full brunt, experts say.

A hotel analyst with a foreign brokerage said most of the hotel companies, such as EIH -- owners of the popular Oberoi chain of hotels -- and Indian Hotels (the Taj group) have already seen a 20 per cent cancellation for foreign visitors.

"The travel warnings by US and others have definitely hurt these companies. The only way out for these hoteliers is to try to entice local travellers as much as possible," he said.

Emirates Airlines senior finance official C. Murugesan said air traffic from Western countries had fallen measurably since an attack on May 14 on an army camp in southern Kashmir by Islamic militants in which 35 people were killed.

India blamed Pakistan for the attack and began a mobilisation analysts have described as "steps to war" and, despite a huge international diplomatic push to cool passions, tensions remain high.

"The situation is very much like post-September 11 as far as we are concerned," Murugesan said. "The Gulf sector is cushioning the fall in the Western and European passenger traffic."

Russian market economy status boosts WTO entry bid: Moscow

AFP, Moscow

Moscow hailed Friday a US announcement that Russia had successfully completed the transition to a market economy, considering the statement a sign the global financial community was ready to welcome it into the World Trade

Organisation. President Vladimir Putin, attending a regional summit in Saint Petersburg, described the US decision, announced late Thursday, as a "very important sign directed towards the international community".

It also showed "that the Russian

economy is prepared to fully take part in the world economy," Putin said.

"The fact that Russia was not previously recognised as a market economy met neither Russia's nor the world economy's interests," he said.

Analysts warned however that difficult negotiations loomed with other WTO countries, especially China, which itself only joined the organisation in December.

The US decision was also seen as a political gesture rewarding Putin for his pro-Western policies following the September 11 attacks.

With its heavily subsidised electricity and natural gas prices, Russia "cannot really be considered as a true market economy as far as potential anti-dumping policies are concerned," noted Alexei Moisseev of the Renaissance Capital investment group.

It is rather "an important gesture of support for the Kremlin's pro-Western foreign policy," he said.



Yousuf Abdullah Harun, chairman of the Board of Directors of Southeast Bank, speaks as chief guest at the business review and marketing strategy conference of branch managers and executives of the bank held at a city hotel on Friday. Also seen in the picture are Ragib Ali, Vice-chairman, Jalalur Rahman, Mohammed Abu Tayub, Azim Uddin Ahmed, M A Kashem, M A Ahad and Duluma Ahmed, directors, and Syed Abu Naser Bukhtear Ahmed, president and managing director.

Rising domestic consumption worries local tea exporters

AFP, Chittagong

Bangladeshi tea exporters voiced concern Sunday about the rising amount of tea consumed by their compatriots, fearing it will set back expansion.

Bangladeshi drink 30 million kilograms (66 million pounds) of tea a year, with domestic consumption growing by more than one million kilograms (2.2 million pounds) annually, according to industry figures.

"Our home consumption is going up every year and if this trend continues, in the near future we will not find surplus tea for export unless the output is increased," Feroz Ahmed, chairman of the Tea Traders Association of Bangladesh, told AFP.

Bangladesh began planting tea in 1840 and last year produced 55 million kilograms (121 million pounds) from its 156 tea plantations. Ironically, neighboring India is reporting a sag in the tea industry

blamed on a fall in domestic consumption, as young Indians find it more fashionable to drink soft drinks or coffee.

Ahmed said domestic tea buyers were active at auctions and appeared less finicky than international purchasers, who have been urging the Bangladeshi tea industry to improve quality.

The world's largest tea exporter is Sri Lanka, which last year sold 294 million kilograms (646.8 million pounds) worth.

BUDGET QUIPS

"I don't mind disclosing my 'relevant financial information' but certainly not my 'relevant personal information' in my tax return."

"You seem worried."

"I should be. The tax authorities might detect the discrepancy in foreign travels between me and my wife's tax returns."

"What discrepancy?"

"Last year I made two trips abroad with my secretary using my wife's passport."

"MM"



A Taiwanese model displays a Cartier diamond ring during a press conference at a local hotel in Taipei on Thursday. More than 130 pieces of Cartier jewellery will be exhibited during a two-day event here.

Iraq, Qatar sign free trade accord

AFP, Baghdad

Iraq signed a free-trade agreement with Qatar on Sunday, the third such accord with a Gulf monarchy and the tenth with an Arab country.

Iraqi Trade Minister Mohammad Mehdi Saleh signed the accord with Qatari counterpart Sheikh Hamad bin Faysal al-Thani at the end of two days of talks.

The agreement will help boost trade levels between Iraq and other Arab states, which have reached 26 billion dollars in the last five years, Mehdi said.

Mehdi was referring to Iraqi imports from the Arab world since the introduction of the oil-for-food programme in 1996 to allow Baghdad to sell crude under UN supervision to meet the humanitarian needs of its sanctions-stricken population.

"It's a natural step on the way to develop relations between the two brotherly countries," Sheikh Hamad said during the signing.

Sheikh Hamad, who was heading a 50-strong delegation, announced on Saturday the launch of a maritime link between Qatar and Iraq, which are also studying the possibility of resuming a regular air link between the two countries.

Since 2000 and after a decade of UN sanctions, Iraq has enjoyed a thaw in its relations with other Arab countries, which had been poisoned by its invasion of Kuwait in 1990.

Iraq has already signed free trade agreements with Algeria, Egypt, Lebanon, Oman, Sudan, Syria, Tunisia, the United Arab Emirates and Yemen.

Conditional development aid effective in E Asia: Experts

AFP, Tokyo

East Asia is proof that development assistance can be effective in fighting poverty, but only if it is backed by good governance and strong civil institutions, say experts brought together by the World Bank.

After the September 11 terror attacks, rich countries, especially the United States, appear to have rediscovered the need to tackle poverty by using overseas development aid (ODA), observers say.

The issue will be on the agenda of the Group of Eight (G8) nations when they meet in Kananaskis in Canada at the end of June.

"East Asia is a unique region where a high rate of growth has been sustained for decades and the population living in extreme poverty has been almost halved over the past decade," said Haruhiko Kuroda, Japan's vice minister for finance, at a World Bank seminar last week.

East Asia also proves that ODA can achieve a good cost-benefit

ratio. The number of people living on less than a dollar a day in the region fell from 450 million to 260 million over the past decade, whereas ODA spent averaged eight billion dollars a year.

"That means a third of world poverty was reduced by half with only 8 billion dollars per annum," Kuroda said.

He challenged claims that a rise of global ODA by 40 to 60 billion dollars to a staggering 100 billion per year would be needed to halve by 2015 the 1.2 billion people living in extreme poverty today.

"If we use aid in a more efficient way, the goals should be achieved without such a huge sum," he said.

Kuroda said the lesson from Asian growth was that "in order for developing countries to formulate and implement sound policies, it is essential for them to be equipped with high-quality governmental institutions and bureaucracy."

But that does not mean artificially imposing the political and institutional models of Europe on develop-

ing countries. "On the contrary, democracy is expressed in various forms across a certain spectrum and according to the historical, political and social context of each country," he said.

Another concept which is better understood now by all actors in development is country ownership - the need for developing countries to make reform programs truly their own.

"It is not only arrogant and bad behavior to try to impose policies from the outside, it does not work either," said World Bank chief economist Nicholas Stern.

Moreover, he said, aid should not be allocated according to the political and strategic objectives of the great powers.

Stern pointed out that in the name of fighting communist influence in Africa, Zaire (now Democratic Republic of Congo) received 10 billion dollars of ODA for over 40 years.



Kazi Wahidul Alam, chairman of Airspan Ltd, GSA of Uzbekistan Airways, addresses an Agents' Workshop in the city on Thursday. Orifan Ruzimuradov, country manager-Bangladesh of Uzbekistan Airways, Sq Ldr (ret'd) Abdullah Farooq, managing director, and Kazi Nizamul Alam, director of Airspan Ltd, are also seen in the picture.