

BJMC to procure 16 lakh bales of raw jute

BSS, Dhaka

Bangladesh Jute Mills Corporation (BJMC) will procure at least 16 lakh bales of raw jute during the current season, official sources said here yesterday.

"The government-owned 29 jute mills will buy the raw jute from BJMC's own resources and the purchase would require around Tk 325 crore," an official in the jute ministry told BSS.

The defunct Adamjee Jute Mills used to buy 2.50 lakh bales of jute annually. "Now the same quantity of raw jute (Adamjee's quantity) will be bought through the existing 29 BJMC mills so that the jute growers can sell their raw jute to the mills at a fair price," the official said.

At least 40 lakh bales of raw jute and expected to be grown on 12 lakh hectares of land, the official said, adding that the jute production may increase.

The government decided to open raw jute procurement centres at different places of the country, particularly in the jute growing areas.

Besides, 35 private jute mills will also procure raw jute from the growers through their own channel.

BAFEDA meet held

A meeting of the General Body of Bangladesh Foreign Exchange Dealers' Association (BAFEDA) was held on Tuesday in the city with M Taheruddin, managing director of Mercantile Bank Ltd, and vice-chairman of BAFEDA, in the chair. The meeting discussed the exchange rates for buying and selling of foreign currencies by authorised dealers in foreign exchange and the spread between such rates. The meeting reviewed the exchange rates of member banks of the BAFEDA and noted that most of the member banks have by now revised upwards their buying rates of foreign currencies in the range of twenty paise to forty paise per US dollar to reduce the gap between the buying and selling rates.

The measure is intended to provide incentive to Bangladeshis working abroad to remit their earning through banking channel, besides providing a fillip to exporters in general, the meeting observed.

ONE Bank raises dollar buying rates

In compliance with the directives of the Finance and Planning Minister to facilitate export business and inward remittances from wage earners abroad, ONE Bank Limited has raised its buying rates for US dollar and other foreign currencies, says a press release.

The wage earners will receive Tk 57.58 per US dollar instead of Tk 57.38 per US dollar and the exporters will receive Tk 57.38 per US dollar instead of Tk 57.18 per US dollar against negotiation of export bills from today.

First AGM of IFIL held

The first annual general meeting of Islamic Finance and Investment Limited (IFIL) was held at Pan Pacific Sonargaon Hotel yesterday, says a press release.

The meeting was presided over by Abul Quasem Haider, chairman of the Board of Directors of IFIL. Vice-chairman Shibbir Mahmud and Anwar Hossain Chowdhury, Feroz Alam, Rezakul Haider, Md Shamsuzzaman, Md Shafiqul Islam, Hossain Mahmud, S M Bakhtiar Alam, Iqbalur Rahman and KBM Moin Uddin Chisty were elected directors of the company. Among them Abul Quasem Haider was re-elected chairman and Shibbir Mahmud and Anwar Hossain Chowdhury vice-chairmen of the Board of Directors.

In his speech Abul Quasem Haider disclosed that IFIL, which started function from April, 2001 reached the break-even point by the December, 2001.

The meeting adopted the audited financial statements of the company for the period ended December 31, 2001.

Since all the previous Directors were retired in the meeting Abul Quasem Haider, Shibbir Mahmud, Anwar Hossain Chowdhury, Feroz Alam, Rezakul Haider, Md Shamsuzzaman, Md Shafiqul Islam, Hossain Mahmud, S M Bakhtiar Alam, Iqbalur Rahman and KBM Moin Uddin Chisty were elected directors of the company. Among them Abul Quasem Haider was re-elected chairman and Shibbir Mahmud and Anwar Hossain Chowdhury vice-chairmen of the Board of Directors.

It also appointed Howladar, Yunus and Company as auditors of the company for the year 2002.

No more IPP until distribution betters

State minister tells AmCham meeting

STAR BUSINESS REPORT

The government will not approve any more independent power project (IPP) until the distribution system is improved in the country, said State Minister for Power Iqbal Hassan Mahmud yesterday.

"At present, distribution is the most vulnerable area in the whole power supply system. As part of the reform, we are going to introduce prepaid billing system to improve the situation," he said.

The state minister was speaking as the guest of honour focussing on 'Bangladesh Government's Power Policy and Economic Development' at the monthly luncheon meeting of the American Chamber of Commerce (AmCham) in Bangladesh at Sheraton Hotel in the city.

The state minister mentioned the Power Development Board (PDB) is

now buying power at much higher rate than it sells. "But the collection is very poor hovering around only 50 per cent. Apart from these, there is systems loss of around 30 per cent," he added focussing on the present status of the PDB.

He, however, said, "The situation has to be improved as power is the most important pre-requisite for attracting both domestic and foreign investment. The government would offer power on two per cent discount rate to the people who would accept prepaid system."

Referring to government's move to restructure the country's power sector, the state minister said, the cabinet has already approved the draft legislation for setting up Energy Regulatory Commission, providing legal framework for restructuring effort.

The draft legislation will be placed in the parliament shortly, he

told the AmCham members.

Speaking on the occasion, AmCham President Aftab ul Islam said inadequate electricity supply is a major constraint to Bangladesh's economic growth. "Its annual per capita electricity consumption of 71 kilowatt-hours in FY98 was the third lowest among developing countries in Asia, after Nepal and Cambodia. Only about 18 per cent of the population have access to electricity," he mentioned.

Despite an installed generation capacity exceeding peak demand, the economy still suffers on account of substantial load shedding. This is due to the fact that some of the old stations need to be replaced, and the existing plants require routine maintenance, which reduces the effective supply availability, the AmCham president said.



A policeman tries to remove a pushcart, which was used for blocking the city's North-South Road traffic, yesterday. Traders put barricades on the road during a strike they called in protest against growing terrorism and extortion in the area.



PHOTO: ICCB

(From L to R) V Mathivanan, chief executive officer of Singapore Network Services (SNS), Commerce Minister Amir Khosru Mahmud Chowdhury, Mahbubur Rahman, president of ICC Bangladesh, Jamilur Reza Chowdhury, vice chancellor of Brac University, and Lawrence Kock, resident director of SNS Singapore, are seen at the inaugural session of the ICC's national seminar on e-commerce and e-government held at a city hotel yesterday.

Only 10pc ministries, govt agencies have web sites

STAR BUSINESS REPORT

Only ten per cent of government ministries and agencies of the country have web sites and most of the sites contain obsolete information, said BRAC University Vice Chancellor Jamilur Reza Chowdhury at a seminar in the city yesterday.

"It is better not to have a web site rather than having one with obsolete information that can mislead people," the vice chancellor told a seminar on e-government and e-commerce organised by International Chamber of Commerce (ICC) - Bangladesh at a city hotel.

Commerce Minister Amir Khosru Mahmud Chowdhury attended the inaugural session of the seminar as the chief guest. V Mathivanan, chief executive officer of Singapore Network Services (SNS), and Jamilur Reza Chowdhury made separate presentations in the seminar.

The BRAC University VC suggested the whole process of public procurement, filing of FIRs, obtaining of licences and registrations from city corporations or municipalities, registration of birth and death and payment of tax could be done through Internet.

According to him, it would make the functions of the government

more transparent. He, however, identified low tele-density, slow and expensive Internet access, lack of Bangla interface and absence of required legal infrastructure as the major obstacle to the implementation of e-government and e-commerce in the country.

Earlier, in his speech as the chief guest Commerce Minister Amir Khosru Mahmud Chowdhury admitted that absence of required infrastructure and regulatory frame are the main reasons for which Bangladesh is lagging behind in this sector.

He observed that e-government can bring efficiency, speed, transparency and accountability in the government. "As a commerce minister I am pledge-bound to promote e-commerce in Bangladesh," he said.

The seminar was organised to develop a policy framework and roadmap for stepping into the regime of e-commerce and e-government, said Mahbubur Rahman, ICC - Bangladesh president, in his welcome speech.

"Electronic commerce can also help to reduce the costs of doing business. One of the most renowned management consultants in the world estimates that a transaction over the Internet costs one-tenth of what it does at a bank," he said.

He also pointed to the issues that need to be addressed when the country's commercial transactions would move to an electronic system from the existing paper-based system, such as the admissibility of electronic evidence in court.

V Mathivanan, chief executive officer of SNS, made a presentation on how Singapore got benefited by adopting e-commerce and e-government.

Singapore started computerising its civil service system in 1981 and most of the government functions were computerised in 1986, he informed.

The city state's judiciary adopted electronic filing system in 1997.

"Now it takes maximum six months to complete the proceedings of a case. The courts now wait for cases," he informed.

He also informed the government agencies in Singapore are now able to save up to 80 per cent cost saving while the cost of business has been reduced to 50 per cent after computerisation.

Singapore issues around eight million different types of permit each year. Computerisation has made it possible to issue 95 per cent of all types of permits within one minute, he said.

Railway earns Tk 380.83cr in FY02

BSS, Dhaka

Bangladesh Railway (BR) earned Tk 380.83 crore in the 2001-2002, fiscal Tk six crore more than the revenue of the previous year, official sources said here yesterday.

The railway department earned Tk 160.29 crore by carrying three crore and 87.53 lakh passengers during the last fiscal year.

The BR earned Tk 145.50 crore, which was over Tk 10 crore more than the previous year, by carrying 40.06 lakh metric tons of cargo. It had carried 34.11 lakh tons in cargo in 2000-2001 and earned Tk 135,04,000.

A sum of Tk 12.53 crore was earned from parcel transportation and Tk 12.26 crore from other traffic services, the sources said.

Besides, the railway earned Tk 10.27 crore from land revenue, Tk 3.12 crore from scrap sales, Tk 6.10 crore from electricity department, Tk 10 crore from the sales of railway land, Tk 6.42 crore from telecommunications sector and Tk 15 crore from other sectors.

Japan to open up mail business

AFF, Tokyo

Japan on Wednesday passed legislation that will open up its lucrative mail business to the private sector after 130 years of state control, officials said.

"The four bills related to postal services passed at a plenary session of the House of Councilors, and the bills were enacted," said a parliament official.

Privatising the three major postal services - mail delivery, savings accounts and life insurance - has long been a top item on Koizumi's personal political agenda.

"We took a big step forward, a big reform," Koizumi told reporters following the passage.

"We penetrated the wall of opposition, which had strongly resisted participation by the private sector."

Maldives gets Thai loan for development projects

AFF, Bangkok

Thailand's government Tuesday approved a 30 million dollar loan to the Maldives to support infrastructure and housing projects on one of its undeveloped islands, an official said.

Government spokesman Yongyuth Tiypairath told reporters that the government had approved the loan, which will be channelled through the Thai Import and Export Bank, for projects on Hulhumale island.

"The conditions are that the Maldives must buy at least 30 per cent of their materials from Thailand, and more than half of the construction companies contracted must be majority Thai-owned," Yongyuth said.

Ban on importing 78 items through land ports 400 cargo trucks await unloading at Hilly

UNB, Dinajpur

Some 4,00 trucks carrying imported goods, including Indian sugar, powdered milk and spare parts, are awaiting unloading at the Hilly land port here.

Customs officials at the port refused to give permission to unload the goods as the Bangladesh government issued a circular on July 16 banning import of the items through land ports.

National Board of Revenue (NBR) imposed the ban on import of 78 items, including sugar, powdered milk and a number of other items,

through land ports. Abdul Aziz, general secretary of Importers' Association of the port, told the news agency that over 100 businessmen imported the goods by opening LCs before slapping the ban and the goods reached the land port after the issuance of the circular.

"So, the ban cannot be applicable here as all the procedures to import the items were completed before the issuance of the circular," he told journalists.

Assistant Customs Commissioner Bazlur Rahman said the authorities refrain from giving

clearance to the 78 Indian items in compliance with the NBR circular.

But Abdul Aziz said Bangladesh Bank has directed the authorities concerned to allow the import of these items against the LCs opened up to July 18.

Another official said all types of import through the port remained suspended since the government slapped the ban on import of the 78 items, dealing a blow to its revenue earning.

The port earned Tk 45.14 crore in revenue in the just-concluded financial year and Tk 61.67 crore in 2000-2001 fiscal.

Tea sale witnesses declining trend

BSS, Chittagong

The weekly tea sale held here Tuesday witnessed a declining trend due to poor participation and less support by some major foreign buyers continued in the auction.

Sources said Afghan buyers lent fairly good support to black well-made Brokens while Pakistan buyers showed some interest in clean well-made Fannings and also some medium varieties. Buyers from CIS countries were virtually out of the market.

Blenders and the loose tea trade were a little less active this week. As a result, there were more withdrawals especially towards the close. Dusts were a fairly good market.

The details of the market report are as follows:

CTC Leaf: 3,415 chests, 19,242 gunny-sacks including 322 sacks of old season, on offer met with less demand at generally easier rates.

Brokens: Clean well-made Brokens once again met with a good

market and eased slightly. All others continued to sell well at a drop of Tk 1/- per kg over last levels. Large and bold Brokens met with less demand and eased by Tk 2/- per kg with fair withdrawals.

Fannings: Clean grainy Fannings were once again a strong market but eased up to Tk 1/- per kg over last. Others also sold well at around last levels following quality. Plainer varieties met with a good enquiry but eased by Tk 1/- to Tk 2/- per kg.

CTC Dust: 413 chests, 2,816 gunny-sacks including 117 sacks of old season on offer met with a fairly good demand. Ds sold well and were dearer by up to Tk 3/- following competition. RDs/PDs eased by Tk 1/- to Tk 2/- following quality. CDs were once again a lower market and eased by Tk 5/- and more. Internal market lent a fairly good support.

The next sale will be held on July 30 at the auction house of the port city.

Japan's trade surplus rises 71.4pc on Asia exports

AFP, Tokyo

Surging exports to Asia have offset sluggish growth in the US and European markets to lift Japan's trade surplus in June 71.4 per cent from a year earlier, the government said Wednesday.

The surplus of 1,301.17 billion yen (11.2 billion dollars) was up for the fourth straight month, with exports growing 8.9 per cent to 4,507.6 billion yen while imports fell 5.1 per cent to 3,206.4 billion yen.

"It is evident that the Asian surplus contributed to the overall trade surplus," a ministry official said. "It also contrasted with the surplus with the United States, which saw only a moderate increase from a year earlier," he told a news conference.

The country's trade surplus with the rest of Asia soared 135.8 per cent in June to 650.6 billion yen as exports grew 19.2 per cent to 2,043.4 billion yen while imports fell 3.2 per cent to 1,392.9 billion yen.

Relocation of Hazaribagh tanneries Commerce ministry moves for setting specific time-frame

STAR BUSINESS REPORT

With the aim to expedite the relocation process of the tanneries from the city's Hazaribagh area to other place, the commerce ministry will request the industries ministry to set a specific timeframe.

Commerce Minister Amir Khosru Mahmud Chowdhury told a discussion at a city hotel on Tuesday.

Since there is no timeframe, the relocation of the factories is getting delayed, the commerce minister observed.

The authorities have been planning to shift the leather factories outside the capital for a long. But no decisive steps have so far taken in this regard.

The minister was speaking the

discussion on "Prospect of Leather Industry in the Global Context" which was organised by Bangladesh Finished Leather, Leather Goods and Footwear Exporters Association (BFLLEA). Members of the newly elected executive committee of the BFLLEA were also introduced in the programme.

Following a proposal of a leader of the newly elected executive committee, the commerce minister also announced to form a committee, comprising officials of concerned agencies, to reduce customs-related hassles facing the leather industry.

Chairman of the newly elected executive committee of BFLLEA Rezaul Karim Ansari said the coun-

try can earn Tk four to five thousand crore in foreign exchange through exporting leather goods provided necessary development and expansion measures are taken. At present, the country earns Tk 1700 in foreign currency annually, he said.

In this regard he stressed the need for formulating a leather industry policy. He also observed the leather exporters of the country would feel inspired if they get ten per cent cash incentive for exporting finished leather. At present, exporters of leather goods are getting 15 per cent cash incentive.

Among others, State Minister for Commerce Barkatullah Bhui, Vice Chairman of Export Promotion Bureau Abu Saleh spoke on the occasion.



PHOTO: IFIL

Abul Quasem Haider, chairman of the Board of Directors of Islamic Finance and Investment Limited (IFIL) presides over the first annual general meeting of IFIL at Sonargaon Hotel yesterday. Vice-Chairmen Shibbir Mahmud and Anwar Hossain Chowdhury, Adviser M Azizul Huq, Managing Director Mohammed Monwar, other directors, sponsors and auditor of the company were also present.