

India-Bangladesh convention on trade begins in Ctg Oct 17

CU CORRESPONDENT
A two-day convention on trade and investment between Bangladesh and northeastern states of India will begin at Chittagong Chamber of Commerce and Industry (CCCI) auditorium on October 17.

The convention will be jointly organised by the CCCI and Indian High Commission in Bangladesh.

The business leaders will verify the possibility of increase of bilateral trade between two countries at the convention.

Central and state government officials of India, CCCI leaders and businessmen will be present at the event.

Deal signed for Aktel phone bill payment thru' ATMs

TM International Bangladesh Ltd, service provider of Aktel mobile phone, signed agreement with Electronic Transactions Network Ltd (ETN) in the city recently for providing electronic bill payment service to Aktel subscribers through ATMs of the E-Cash ATM Network, says a press release.

Date' Ezanee Ab. Aziz, managing director at Aktel and Zahir Ahmed, chairman of ETN, signed the agreement for their respective companies.

Electronic Transactions Network Ltd is a joint venture of United Group, Bangladesh and IFS International, Inc. USA which is currently operating and maintaining a network of 19 ATMs all over the country on behalf of nine banks. Member banks of the network are: Agrani Bank, Al Baraka Bank, Bank Asia, Credit Agricole, Dhaka Bank, Islami Bank, National Bank, NCCB and Southeast Bank.

With the introduction of this new service subscribers who are accountholders of any of the above nine member banks will be able to register at their respective banks and make payment of Aktel bills from any of the ATMs of the network by using their E-Cash ATM/Debit Card.

Experts stick to global trade growth forecast

AFP, Geneva

The volume of world goods trade is projected to grow by one per cent in 2002 after last year saw its first decline since 1982, the World Trade Organisation (WTO) said on Thursday.

Confirming its April forecast, the WTO warned in its latest report however that the increase would depend on continued momentum in the recovery in some industrialised countries and developing Asia.

"If the overall economic recovery, such as it is, continues for the last two quarters of this year we might be looking at trade expansion in volume terms of something in the region of one per cent," Patrick Low, director of the WTO's development and economic research division, told a news conference.

WTO chief Supacha Panitchpakdi said the "disappointing" trade figures for 2001 and the first half of 2002 underscored the importance of making progress in trade liberalisation talks.

"While the depressed levels for imports and exports reflect macro-economic factors, it is evident that policy measures must be taken to bolster confidence," the director-general said in a written statement.

India's revenues up 17 per cent

REUTERS, New Delhi

India's tax receipts grew a healthy 17 per cent to 906.48 billion rupees (\$18.57 billion) in the first half of the current financial year beginning April, a senior finance ministry official said Thursday.

Tax collections were 774.79 billion in the April-September period last year, the official said.

The impressive tax collections came against the backdrop of the country's worst drought in 15 years and a recent downgrade of the country's local currency ratings to junk status by international rating agency Standard and Poor's.

Analysts say a slew of impressive economic data recently suggests the effects of the drought may have been contained to some extent due to rains in August and September.

The official, who did not want to be identified, told Reuters indirect taxes, which include customs and excise duties, rose 15.04 per cent to 609.91 billion rupees from 529.29 billion.

Only 25pc foreign aid reaches the poor

STAR BUSINESS REPORT

The country's poor people got the benefit of only 25 per cent of the total foreign aid that Bangladesh received during the last thirty years, although the assistance was mainly meant for the poor.

In the last thirty years, Bangladesh received around 1.8 lakh crore taka in foreign loan and grants. Of the aid, 52 per cent was in the form of loan and the rest in the form of grant, according to a paper presented by Abul Barkat, general secretary of Bangladesh Economic Association (BEA), at a recent seminar.

The paper titled "The Past, Present and Future of Economy of Bangladesh: A Political-Economic Arithmetic" stated the country's political and economic criminals have misappropriated around 75 per cent of Tk 1.8 lakh crore foreign aid.

Abul Barkat, also a professor of Department of Economics at the University of Dhaka, observed the foreign aid received in the thirty years did not accelerate the overall socio-economic process of the country.

A major portion of the foreign aid is spent for equipment purchase and consultancy. A group of foreign

equipment suppliers and foreign consultants have become direct beneficiaries of foreign aid.

Referring to an estimate, Barkat said instrument supplier agents for different projects along with the foreign consultants grabbed 25 per cent (Tk 45,000 crore) of the total foreign aid during the period.

A quarter inside the country has also established themselves as direct beneficiaries of foreign aid. "Their direct interest is involved in foreign aid based expenditure," Barkat said in his paper.

The country's politicians, bureaucrats, commission agents, consultants and construction contractors took away about 30 per

cent (Tk 54,000 thousand crore) of the total foreign aid, the paper said.

High income group people and middle class people of both urban and rural areas got about 20 per cent (Tk 36,000 crore) of the total assistance.

And the poor who were basically the main target group of the aid received only 25 per cent equivalent to Tk 45,000 crore of the total foreign aid, Barkat said.

A few numbers of people have become owners of huge assets after the independence of the country. "...about 75 per cent sources of the assets might be foreign aid," the paper stated.

US ports may take up to 100 days to clear cargo backlog

AFP, Los Angeles

US dock workers were Thursday slowly starting to clear a dizzying backlog of cargo from congested west coast ports after the White House stepped in to force open the dispute-paralysed docks.

Thousands of unionised workers were loading and unloading cargo from more than 200 ships and thousands of lorries that have been stranded along the US Pacific coast and outside 29 idled dockyards for the past 11 days.

Trucks, fork-lifts and huge overhead cranes were humming in ports from the California city of San Diego to the northwestern hub of Seattle, striking a stark contrast with 10-

days of paralysis caused by a simmering labour row.

But despite the renewed activity, truckers complained that reluctant longshoremen were working too slowly, as shipping bosses pored over data to ensure that workers are pulling their full weight.

"We have done what we said we would and have got our crews back to work in all 29 west coast ports," said Jeremy Prillwitz of the International Longshore and Warehouse Union, which represents 10,500 longshoremen.

"The (shippers) appear to be satisfied that we are fulfilling our obligations, but it will take several weeks to clear the backlog of goods that was allowed to build up during

the lockout imposed by the shipping lines.

"Clearing out these clogged docks will be a logistical nightmare," he added.

Experts, union officials and shippers estimate it will take anything from six weeks to 100 days to clear the backlog, delays that will ensure that the impact of the shutdown is felt deep into crucial Christmas shopping season.

The closure is estimated to have cost the US economy between 10 and 20 billion dollars, while Asian exporting nations have also been hard-hit by the shutdown of their main trade gateway to the crucial US market.

Padlocks were removed from

port gates late Wednesday after a federal judge ordered dockers back to work by issuing an injunction backing President George W. Bush's unusual legal bid to break the devastating trade gridlock.

The reopening forced at least a temporary end to the 10-day ports shutdown triggered September 29 when shippers locked longshoremen out of dockyards, accusing them of staging a go-slow over a contract row.

But while dockers say they wanted to get back to work, the government intervention has infuriated them and prompted allegations that Bush and shippers are colluding to crack down on the labour movement.



PHOTO: NBR

Bangladesh and Switzerland signed agreed minutes following the first round of negotiation on agreement on avoidance of double taxation between the two countries in the city on Thursday. Muhammad Delwar Hussain, member of National Board of Revenue, and Eric Hess, deputy head of the Division for International Fiscal Law and Double Taxation Matters, Federal Tax Adm of Switzerland, led their respective sides. Dr. Shoab Ahmed, secretary of Internal Resources Division, and Jürg Casserini, charge d'affaires of Swiss Embassy, were present at the signing ceremony.

Dhaka, Bern sign minutes to avoid double taxation

Bangladesh and Switzerland have signed an agreed minutes on avoidance of double taxation between the two countries.

Officials signed agreed minutes following the first round of negotiation between the two sides in the city on Thursday, says a Board of Revenue press release.

In the negotiation, Bangladesh delegation was led by Muhammad Delwar Husain, member of National Board of Revenue, and the Switzerland team was headed by

Eric Hess, deputy head of the Division for International Fiscal Law and Double Taxation Matters, Federal Tax Adm of Switzerland.

Among others, Dr Shoab Ahmed, secretary of Internal Resources Division, and Jürg Casserini, Charge d' affaires, Embassy of Switzerland, were present at the signing ceremony.

Both sides agreed to hold a second round of negotiation in Switzerland with a view to concluding the agreement.

Two WorldCom staffers plead guilty to fraud

AFP, New York

Two former WorldCom accounting employees pleaded guilty Thursday to securities fraud, as prosecutors tightened their case in the multibillion-dollar bookkeeping scandal that brought down the telecom giant.

Betty Vinson, former director of management and reporting, and Troy Normand, former director of legal entity accounting, became the third and fourth WorldCom employees to strike an apparent plea bargain with investigators, said James Comey, US Attorney for the southern district of New York.

Earlier this week, WorldCom's former chief accounting officer Buford Yates pleaded guilty to charges of securities fraud and conspiracy, following a guilty plea by former comptroller David Myers on Sept 26.

Senate leader wants Bush to fire economic team

AFP, Washington

Senate majority leader Tom Daschle said Thursday that President George W. Bush should fire his entire economic team and start over in order to restore growth to the sluggish US economy.

"If I were the president, I would clean house. I don't think there's an economic adviser in the adminis-

tration that can give him the right answers for how we confront the mess we're in today," the Democratic leader told reporters on Capitol Hill.

"This administration's economic team has failed and failed miserably," Daschle added in separate comments to AFX News, a financial news unit of Agence France Presse.

US jobless claims down

AFP, Washington

New claims for US state unemployment benefits fell 40,000 to a seasonally adjusted 384,000 for the week ended October 5, the Labor Department said Thursday, surprising analysts.

This is the largest weekly decline in jobless claims since the week ended April 6. Claims are at their lowest level since the week ended August 3.

This is the first time claims have fallen below the key 400,000 level in six weeks.

The decline in claims was much larger than the 420,000 new claims Wall Street expected.

The large decline reflected technical factors related to seasonal adjustment calculations.

On an unadjusted basis, jobless claims rose 41,556 to 360,690 for the week. But the seasonal adjustment factors had expected an even larger increase, according to a Labour Department spokesman.

Jobless claims for the week ending September 28 were revised to show an increase of 13,000 to 424,000, originally reported as a rise of 5,000 to 417,000.

The four-week moving average for initial jobless claims fell 12,250 to a seasonally adjusted 412,250 for the week ended October 5.

Fiat Auto sale to GM likely

AFP, Paris

The sale of Fiat's struggling carmaking unit, Fiat Auto, to General Motors (GM) of the United States is growing increasingly likely, Fiat chairman Paolo Fresco signalled in an interview published Friday in the Wall Street Journal Europe.

"We're expecting very low value," Fresco told the newspaper.

"I don't think they will give us high value or that would hurt their bargaining position and give me strength to negotiate".

Fiat Auto is draining the parent company's resources as its sales at home and abroad steadily slump, forcing Fiat to take drastic measures, such as the announcement of 8,100 fresh layoffs on Wednesday.

But many industry analysts consider Fiat's only effective option to be selling the unit to GM, which already owns 20 per cent of Fiat Auto.

However, unions are deeply opposed to this option and the government has stated that it wants Fiat Auto, a national icon of Italian industry and a major employer, to remain firmly in Italian hands.



PHOTO: T-MART GROUP

Aftab ul Islam, president of American Chamber of Commerce in Bangladesh, inaugurates a sales and display centre of Jordana Color Cosmetics of USA at New Baily Road in the city on Thursday. Jammie Collins, political officer of the US Embassy in Bangladesh, and Toweed Chowdhury, managing director of T-Mart Group, are also seen in the picture.

Display centre of Jordana Color Cosmetics opens

An exclusive mega sales and display centre of Jordana Color Cosmetics of the USA was opened at New Baily Road in the city on Thursday, says a press release.

The display centre was inaugurated by Aftab ul Islam, president of American Chamber of Commerce in Bangladesh.

Jimmie Collins, political officer of the US Embassy in Bangladesh, Toweed Chowdhury, managing director, and other officials of T-mart Group, sole agent, Jordana Color Cosmetics, USA in Bangladesh were also present on the occasion.

WB president blasts wealthy nations for farm subsidies

AFP, Geneva

Efforts by institutions such as the World Bank to tackle poverty are irrelevant unless wealthy countries cut farm subsidies, World Bank president James Wolfensohn warned on Thursday.

Wolfensohn's remarks came as he met the director-general of the World Trade Organisation (WTO), Supachai Panitchpakdi, and both mounted a united front to press mainly western countries to liberalise agricultural markets.

The World Bank head cautioned that the 50 billion dollars (50.7 billion euros) spent on development assis-

tance annually worldwide were dwarfed by the 350 billion dollars ploughed into agricultural subsidies every year.

"To have seven times the amount of overseas development assistance paid annually in agricultural subsidies, which is the product in which the developing world could be significantly competitive, makes no sense at all," he told reporters.

"There is no way that we can deal with the question of development without dealing with the question of trade," Wolfensohn added.

Wolfensohn emphasised that he and the WTO head shared the view that there had been limited progress

in the first year of negotiations on the Doha development round of trade talks.

"Free trade and reduction of agricultural subsidies has not at all been addressed," he said.

The 144 members of the Geneva-based WTO have so far been unable to come up with any agreement on cuts to domestic support for farmers in their talks on the issue, which is widely recognised as key to the overall three-year Doha round of trade liberalisation talks.

Wolfensohn admitted that the World Bank's member states often ignored his advice, "but it makes me

feel better to indicate that what I'm doing is irrelevant if we can't deal with the question of trade".

Panitchpakdi welcomed Wolfensohn's help on the agricultural issue after the meeting.

"We need more concrete proposals coming from advanced countries so we can make headway into reaching our modality agreement by March 2003, and as you know I have been emphasising this as a life or death matter," he said.

The World Bank and WTO chiefs agreed to produce a joint report within the next few months on development issues.

ROK sees 6pc growth this yr

AFP, Seoul

South Korea's economy is strong enough to withstand global uncertainties and achieve six per cent growth this year, Finance and Economy Minister Jeon Yun-Churl said Friday.

The economic chief also played down mounting concerns over inflated real estate prices, saying the country had enough room to move in terms of fiscal and monetary policies to cope when the bubble bursts.



PHOTO: ETN

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