

BKB goes for SWIFT operation

Bangladesh Krishi Bank (BKB) has started SWIFT live operation.

AKM Sajedur Rahman, managing director of the bank, inaugurated the operation by clicking the keyboard at the bank's head office in Dhaka on Sunday, says a press release.

With the introduction of SWIFT system, BKB joined the most modern sophisticated communication network of international banking service.

From now on BKB will be able to transmit LC, receive and make payment of fund, effect remittance business at the quickest possible time and ensure better customers service.

Among others Deputy Managing Director M Fazlul Haque, senior officials of the bank, and customers were present.

New president of BCCAMEA



Sufiullah Chowdhury has been elected president of Bangladesh Corrugated Carton and Accessories Manufacturers and Exporters Association (BCCAMEA) for the 2003-2005 term, says a press release.

Chowdhury is also the co-chairman of Export Standing Committee of FBCCI, a former director of FBCCI and an executive committee member of SAARC Chamber of Commerce & Industry.

Besides, Taslim Uddin Chowdhury, Asiful Hoque, Mahmud Hassan Khan and Rafez Alam Chowdhury have been elected the first vice-president, second vice-president, vice-president and vice-president (Finance) of the BCCAMEA respectively for the same term.

CDP, SSOQ sign

MoU to monitor human rights in shrimp industry

Coastal Development Partnership (CDP) and ATDP/Shrimp Seal of Quality (SSOQ) will work jointly to monitor human rights, labour rights and environment management in shrimp industry of Bangladesh.

A memorandum of understanding to this effect was signed between the two organisations recently, says a press release.

Ashraf-ul-Alam Tutu, coordinator of the Coastal Development Partnership, and Debbie Williams, environment and social coordinator of the Shrimp Seal of Quality programme of ATDP, inked the agreement.

The two sides will also develop a system to certify that hatcheries, growers, suppliers and processors will abide by the human rights, labour rights and environmental management codes of conduct.

New MD of Sonar Bangla Ins



M Momtaz Uddin recently joined Sonar Bangla Insurance Limited as its managing director, says a press release.

A BSC engineer, he joined the Sadharan Bima Corporation as manager in the year 1978.

During the service, he worked as zonal in-charge and held many responsible positions in various departments of the organisation.

He served in Sadharan Bima Corporation till 2002 and retired as General Manager.

GP plans drastic cut in call charges

MUSTAK HOSSAIN

GrameenPhone, the leading cell phone operator, plans to introduce a new tariff scheme, slashing call charges substantially, according to company sources.

Telecom experts predict other cell phone operators would follow suit to remain competitive.

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The BTRC has approved the

new tariff package of GP last week," BTRC Chairman Syed Marghub Murshed said.

There is also a plan to reduce the nationwide roaming charges, BTRC officials said.

"GP has submitted a proposal to the BTRC," a GP spokesman told The Daily Star. "We hope to launch the new package soon."

The new tariff plan will be placed at GrameenPhone's board meeting today.

"Several new packages with reduced call charges will be launched following the approval of GrameenPhone.

"The BTRC has approved the

new board," another GP official said without elaborating.

When contacted, a key official of AKTEL with the country's second largest global system of mobile communication (GSM) operator Telecom Malaysia International Bangladesh (TMIB), the service provider of CityCell said, "CityCell is already offering the cheapest call rate in the country."

"To stay competitive we will have to reduce tariff. We have to look at...otherwise we can't compete with GP, which has very good customer base," he said requesting anonymity.

He said the GP has the largest subscribers base enabling it to offer economical price. "AKTEL is conducting a study on call rates, otherwise the BTRC could force us to reduce charges," he said.

When contacted, an official of the Pacific Bangladesh Telecom Limited (PBT), the service provider of CityCell said, "CityCell is already offering the cheapest call rate in the country."

The country has some 1.25 million cell phones provided by four private operators in foreign joint venture. GP controls over 76 per cent of the local mobile market.



PHOTO: AFP
Two passengers travel on a bus featuring an advertisement of cell phone company GrameenPhone Ltd yesterday. GrameenPhone (GP) has planned to introduce a new tariff scheme, slashing call charges substantially. Bangladesh has some 1.25 million cell phones provided by four private operators. GP controls over 76 per cent of the total market share.

Apparel board renamed as row over supervising authority on

NAZMUL AHSEN

The government has decided to rename previously announced Apparel Board as Apparel Export Board (AEB), amid a five-year unsettled dispute between two ministries over authority on the board.

The Ministry of Commerce and Ministry of Textile have been arguing for getting authority over the board since 1998. Both former and incumbent prime ministers have so far failed to select the ministry which will have the supervisory control over the board.

Sources said the National Committee on Export (NCE) in a meeting directed the Ministry of Commerce to prepare a draft on the proposed AEB for placing in its (NCE) next meeting for final approval.

The proposed AEB will monitor ready-made garment (RMG) export, derive strategies to face the post multi-fibre arrangement era after 2004 and suggest steps for the RMG exporters to attain competitiveness.

The feud between the two ministries surfaced when former state minister for textile AKM Jahangir Hossain at a cabinet meeting in 1998 opposed a proposal for putting the apparel board under commerce ministry.

The then prime minister Sheikh Hasina, who chaired the meeting, postponed the idea of setting up of the board amid heated debates between the state minister for textile and the then commerce minister.

After assuming office, the incumbent government has failed to convince the textile ministry in agreeing to the proposal for setting

up the board under the commerce ministry.

Without having the dispute settled, both the ministries, however, settled on renaming the board.

Leaders of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) have long been demanding such an institute to support the sector, which earns over 76 per cent of the nation's total export earnings.

Meanwhile, commerce ministry has prepared the draft of the AEB detailing its activities, which will be placed before the prime minister for approval, sources said.

According to the draft, headed by commerce minister 18 members will manage the affairs of the board comprising of representatives from

finance, foreign affairs and textile ministries along with the representatives from national board of revenue (NBR) and Board of Investment.

The draft also suggested having the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), BGMEA, BKMEA and Bangladesh Textile Mills Association (BTMA) presidents in the board as ex-officio members. The board will be an autonomous organisation.

The AEB will monitor the quota administration and generalised system of preference (GSP) for the exporting garment industries and issue licenses to garment owners. It will chart out strategies for developing backward linkage industries to ready the sector for quota free regime after 2004.



Garment employees work at a factory in Dhaka yesterday. The government has decided to rename previously announced Apparel Board as Apparel Export Board (AEB) amid a five-year unsettled dispute between commerce ministry and textiles ministry. The autonomous AEB will monitor the quota administration and GSP for the exporting garment industries and issue licenses to garment owners. The apparel sector earns over 76 per cent of the country's total export earnings.

MCCI calls for incentives to import substitute industries

STAR BUSINESS REPORT

Metropolitan Chamber of Commerce and Industry (MCCI) said fiscal incentives should be provided to import substitution industries in the forthcoming national budget on priority basis.

In the editorial of its monthly publication, the chamber said budgetary measures should provide adequate incentives to stimulate manufacturing activities.

The government currently offers incentives only to export-oriented industries to help them become competitive. But industries focusing on domestic market do not receive adequate fiscal incentives, the June issue of the Chamber News said.

"As industries have been suffering from cascading impact of tax on tax, MCCI has been putting emphasis on sparing the import substitution industries from double taxation."

As the requirement of paying advance income tax at the time of importing raw materials hinders industrial activities, the chamber demanded abolishing the system in the forthcoming budget.

The chamber appealed to the government to withdraw infrastructure development surcharge which increases production costs.

Because of the poor historical record of its implementation, annual development programme (ADP) should not be unduly ambitious. The ADP size of Tk 203 billion for the next fiscal year appears to have sectoral imbalance, it said and added that the quality of public

expenditure is more important than its size. so, the chamber called for sectoral priorities in ADP.

The country needs to grow at annual rate of 7-8 per cent if the Millennium Development Goal of halving poverty by 2015 is to be achieved. The achievement of the

goal seems unlikely unless structural constraints and weaknesses in investment and productivity growth are adequately addressed, the editorial titled "Forthcoming Budget 2003-2004: The Business Community's Expectations" read.

The chamber identified narrow tax base, high cost of capital, poor quality of public spending, poor infrastructure facilities, pervasive corruption, deteriorating law and order situation, lack of commitment to public enterprise reform, poor access to cost-effective credit as major structural constraints that bevel investment and productivity growth.

The chamber appealed to the government not to discontinue tax holiday facility in the coming national budget.

Referring to finance and planning minister's intention to discontinue tax holiday in some sector, the chamber in a press release said the move would cause great harm to new investment.

The chamber also urged the government to impose no new taxes in the budget.

"In absence of new aid pledges, any effort to raise domestic resources by imposing new tax measures for financing the ADP is likely to fuel inflationary pressure, thereby threatening macroeconomic stability."

It called for incentives to stimulate activities in the manufacturing and agriculture sectors, which will counter inflationary pressures and will help generate revenue resources.

The next budget should streamline the tax administration, remove the scope of administrative discretion, which cause tax evasion and widen the scope for greater tax compliance through rationalisation of the existing taxes.

It also urged the government to remove tariff anomalies, which distort the present range of tariff incentives. It also asked to remove cascading effect of double taxation.

It called for phasing out subsidies to state-owned enterprises by improving self-financing capacity of public sector bodies.

It called for increased allocation in research and development in order to enhance the country's technological capacities. In view of maintaining quality of country's physical infrastructure and public services, allocation in operation and maintenance needs to be increased, it said.

Although government claims to make the highest allocation to education, in effect it is not so. A part of the education budget is spent on religious infrastructures and also channelled to defence education, depriving mainstream education, it said.

Women entrepreneurs for incentives in budget

UNB, Dhaka

Women entrepreneurs of the country have asked for a series of incentives in the national budget to help them sustain in the business world.

In a letter to Finance Minister M Saifur Rahman, Women Entrepreneurs Association of Bangladesh (WEAB) yesterday placed some proposals, including bank loans at 50 per cent of the normal rate of interest.

WEAB President Nasreen Alaw Minto in the letter sent on the eve of the budget also suggested the government for keeping reserved for women entrepreneurs 50 per cent of the funds allocated for small and medium industries.

They have also asked for five years tax holiday to the new women entrepreneurs coming to business.

Besides, WEAB has demanded funds for setting up a professional institute to train the women entrepreneurs for development of their technical, marketing and financial management skill.

Considering the empowerment of the women, the WEAB President suggested restriction of loan facilities for purchasing land, houses and flats unless those are jointly owned by husbands and wives.

Further, they have asked for funds to set up day care centres in all urban areas to help the working mothers.

The WEAB member also

demanded exemption of VAT in the case of women consultants and professionals.

Ornate Royal hotel opens

New hotel-Ornate Royal Hotel has opened recently at Bijoynagar in Dhaka, says a press release.

The hotel, operate by Saek's Inn, has 24 fully air-conditioned suite, family deluxe, family standard, standard double and standard single rooms on three floors. The hotel is also well decorated with modern amenities and services for the guests. The room tariffs are very affordable, the press release said.

Free construction info at Chittagong Cement cell

STAR BUSINESS REPORT

Chittagong Cement has set up an advisory cell to provide necessary information on construction process and materials to homebuilders.

Information from the cell -- Helal Basha- ScanCement Advisory Cell -- are free of cost, said Yavuz Ermis, chairman of Chittagong Cement Clinker Grinding Co. Ltd (CCCGCL), at a press conference held at a local hotel yesterday. CCCGCL General Manager (Sales and Marketing) KM Zahid Uddin was also present.

"Any person willing to build up a home can contact the cell and get essential information," he said.

The chairman said they have contacted several house building finance companies and steel, brick and paint manufacturers for this project.

The company will also organise workshops on fortnightly basis on different issues relating to building constructions. The first such workshop will be held on June 21, said Ermis.

The company also sponsored a publication, the House-Building Construction Guide Book, which covers all the construction-related information including prices of building materials, said Zahid.

"At present, Chittagong Cement, a member of Germany-based Heidelberg Cement Group, has 16 per cent market share in Bangladesh," said Yavuz.

The general manager said Pakshy bridge, Dhaka-Sylhet highway, Shah Amanat International Airport, Chittagong and Mohakhali fly-over are some of the projects that use ScanCement, a brand product of Chittagong Cement.

Economics, not politics should dictate regional cooperation

State minister for energy tells CPD workshop

STAR BUSINESS REPORT

Economic issues rather than political issues should get priority for strengthening regional cooperation, State Minister for Energy and Mineral Resources AKM Mosharraf Hossain told a workshop yesterday.

"But the reality is that economic issues are overshadowed by politics," he said speaking as chief guest at the inauguration of the two-day regional workshop on "Finalising the Study on Energy Cooperation in South Asia".

The Centre for Policy Dialogue (CPD), in collaboration with the Coalition for Action on South Asian Cooperation (CASAC), organised the workshop at the BRAC Centre auditorium in the city.

Referring to the dismal energy situation in Bangladesh, Prof Sobhan said people are willing to pay for electricity, but the government

Pakistan and Nepal are participating at the workshop ending today.

Chairing the inaugural session, Professor Rehman Sobhan, CPD chairman, urged the regional experts to visualise the 'interconnectivity of issues' relating to energy beyond South Asia, terming the notion of 'national need for energy' an obsolete one.

"Thailand is getting energy from Myanmar to run a 4,000 megawatt plant and investing in Laos and Vietnam for meeting its energy needs. India's future energy needs will be met not only from South Asia but also from Central Asian countries," he said.

Referring to the dismal energy situation in Bangladesh, Prof Sobhan said people are willing to pay for electricity, but the government

world's population live here, he said. Naik underscored the need for making energy a basis for meaningful cooperation between South Asian countries.

Dr Debapriya Bhattacharya, executive director of CPD, also spoke at the inaugural