

Retain job-generating projects

MCCI asks govt on the proposed ADP cut

STAR BUSINESS REPORT

As the government is contemplating to prune the size of this fiscal year's annual development programme (ADP), the Metropolitan Chamber of Commerce and Industry (MCCI) has urged the government not to drop the projects, which contribute to employment generation and poverty alleviation.

The chamber however supports the proposed ADP cut for the sake of quality of its implementation and re-prioritisation of the projects of physical infrastructure, rural development and agricultural extension.

The pruning and re-prioritisation of projects should be made on the basis of sharp evidence on sectoral needs while the employment generating and poverty reduction projects should get higher priority in the revised project portfolios, the MCCI suggested.

To improve quality and reverse the slow implementation of ADP, the chamber urged the government to bring down dependence on foreign financing. "This can be done by restraining the rapid growth of the recurrent budget, which will increase availability of local fund," MCCI said in its April edition of Chamber News.

The chamber refers to Finance and Planning Minister M Saifur Rahman who recently said the implementation of locally funded projects has been satisfactory but foreign aided projects saw slow implementation.

The ADP target in 2003-2004 budget was set at Tk 20,300 crore with Tk 11,816 crore to be met from internal resources and Tk 8,484 crore from external resources. Projects worth Tk 7,507 crore representing 37 percent of the total ADP have so far been implemented in the first eight months.

Some 174 projects are included in this year's ADP without prior approval of donors, said the chamber suggesting that the government should take up appropriate reform measures to avail the \$6 billion foreign projects currently locked in the pipeline.

The chamber also called for reducing project portfolios and discouraging expenditure in non-ADP projects to enhance implementation rate and improve quality. "There are a number of projects in the industrial sector that appear to have doubtful viability because of inadequate supply of raw materials or inadequate domestic demand," it said.

On overcoming delay in implementation, MCCI recommended strengthening the planning units of major sectoral ministries for improving their ability to prepare sectoral strategies and determine public expenditure priorities.

About political impact, the

chamber observed that without finding a solution to the protracted political crisis, which is crippling the economy, the ADP implementation cannot be satisfactory.

"It is seemingly impossible task to implement rest 63 percent of the ADP projects in the remaining four months of the current fiscal year," MCCI said. Though government is considering an 11.3 percent reduction in this fiscal year's ADP, the MCCI doubts total implementation of the downsized ADP in view of the poor record.

In 2002-2003, the ADP size was revised to Tk 17,100 crore from Tk 19,200 crore due to poor implementation rate but the government was able to spend only Tk 15,000 crore falling 22 percent short of target. The implementation was 50.7 percent in the corresponding period of the previous fiscal year, which is only 37 percent this fiscal

DSE general index crosses 1050-mark

STAR BUSINESS REPORT

The general index at Dhaka Stock Exchange (DSE) yesterday crossed 1050-point mark for the first time as the country's capital market continued a bullish run.

The index crossed 1000-mark on April 4 after about four months.

The Securities and Exchange Commission (SEC), however, formed a committee yesterday to investigate the share transactions of Mercantile Bank and Mutual Trust Bank during the month of March.

The general index of the country's premier bourse, which represents the price movements of listed shares hit 1050.29 points yesterday, which was 1047.50 points on Monday.

Stock market sources said declaration of dividend and date of annual general meetings of some 20 companies, including eight banks and financial institutions, might have provoked the upswing.

Salahuddin Ahmed Khan, chief executive officer of the DSE, said as some banks have declared dividend and date of AGM, the prices go up.

He, however, said, "We must be careful about any unusual rise in share prices."

There are 28 banks and financial institutions listed with DSE which hold over 35 percent market capitalisation.

The Chittagong Stock Exchange (CSE) general index reached 1755.51 points with an increase of 9.17 percentage points in comparison to Monday's 1746.34 points.



Prime Minister Khaleda Zia visits a stall at the three-day textile fair, Tebangla 2004, that began at the Winter Garden of Dhaka Sheraton Hotel yesterday. Finance and Planning Minister M Saifur Rahman is also seen in the picture. Bangladesh Textile Mills Association has organised the exhibition.

Dutch-Bangla Bank appoints Hoda Vasi for special audit

Dutch-Bangla Bank Ltd (DBBL) has appointed Hoda Vasi Chowdhury and Co to undertake quarterly audit of the bank and assist the audit committee of the DBBL board of directors.

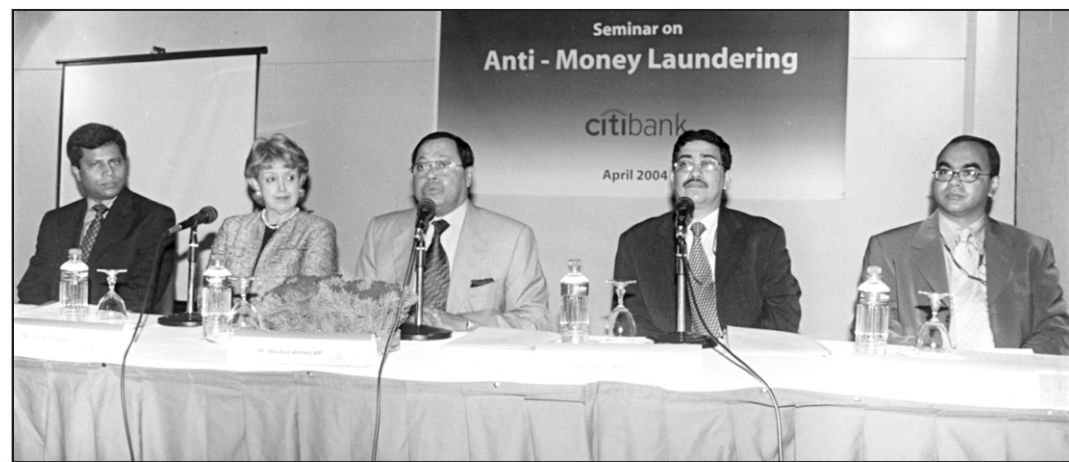
The audit firm will appraise the steps taken by the management of the bank to devise plans and strategies for its smooth functioning, says a press release.

The special auditors will also review and evaluate the external and internal audit reports and submit a quarterly report to the board.

ICAB team meets BB governor

A seven-member delegation of the Institute of Chartered Accountants of Bangladesh (ICAB) met Bangladesh Bank Governor Fakhruddin Ahmed at his office yesterday and discussed issues related to accounting and auditing standards, says a press release.

Headed by ICAB President Akhtar Sohail Kasem, the team included Nasir Uddin Ahmed, CR Mazumder, Jamal Uddin Ahmad, M Mustafizur Rahman, Jamaluddin Ahmed and NI Chowdhury.



Law, Justice and Parliamentary Affairs Minister Moudud Ahmed speaks at a seminar on Anti-Money Laundering organised by Citibank NA Bangladesh in Dhaka yesterday. Among others, Lauren Pickett (2nd from left), director, Global Anti-Money Laundering Training at Citigroup, and Mamun Rashid (2nd from right), chief executive officer of Citibank NA Bangladesh, are also seen.

ADB, Saarc sign MoU to strengthen cooperation

BSS, Manila

The Asian Development Bank (ADB) and the South Asian Association for Regional Cooperation (Saarc) on Monday signed a memorandum of understanding (MoU) that aims to strengthen cooperation between them.

The MoU, signed by ADB Vice-president (Operation 1) Liqun Jin and Saarc Secretary-General QAMA Rahim at ADB Headquarters in

Manila, will help promote mutually interested regional programmes, projects and help establish linkages with other regional initiatives, said an ADB press release.

In line with the agreement, ADB plans to provide a regional technical assistance in helping the Saarc Secretariat for identification of priority cooperation areas and in realisation of the regional cooperation agenda as outlined in the Islamabad Declaration.

Through the agreement, ADB hopes to play a catalytic role in identifying and promoting regional cooperation initiatives in partnership with the Saarc Secretariat.

ADB is dedicated to reducing poverty in the Asia and Pacific region through pro-poor sustainable growth, social development, and good governance. In 2003 it approved loans and technical assistance amounting to US\$6.1 billion and US\$177 million.

S'pore economy witnesses 7.3pc growth in Q1

ANN/THE STRAITS TIMES

Singapore's economy surprised with red-hot 7.3 percent growth in the first quarter of this year from the same period last year, the fastest expansion since late 2000.

That means the Republic looks set to grow faster than any other economy in Asia this year, except the powerhouses of China and India, private economists said. They added that vital new jobs should follow.

They said the official estimates released yesterday by the Ministry of Trade and Industry (MTI) showed that Singapore's growth engine was firing on all cylinders from January to March.

The all-important manufacturing sector surged by 15 percent, its best showing in 18 months, while the key services sector also posted a strong upswing of 5.3 percent.

Even the ailing construction sector bounced back to modest growth after three years in the doldrums.

Special court on money laundering on cards

Law minister tells Citibank seminar

STAR BUSINESS REPORT

The government may set up special court for dealing with money laundering cases, Law, Justice and Parliamentary Affairs Minister Moudud Ahmed said yesterday.

He said the government is now taking opinions of all stakeholders to amend the Prevention of Money Laundering Act, 2002 to make it more effective.

"We have received allegation from finance ministry that the loopholes of the act are being exploited," he said speaking at a seminar on "Anti-Money Laundering" in Dhaka.

The law minister said the ministries need help from bankers and other organisations concerned to examine the law before taking steps for its amendment.

Citibank NA organised the seminar at a local hotel, attended by officials of Bangladesh Bank, Citibank NA and commercial banks. Lauren Pickett, director, Global Anti-Money Laundering Training at Citigroup, now on a five-day visit to Bangladesh, also spoke at the seminar. She will conduct training for both executives and clients of Citigroup in Dhaka and Chittagong.

The law minister said with the introduction of the anti-money laundering law, smuggling and narcotics business has declined in the country.

Strict enforcement of money laundering law can check smug-

gling, as payments for smuggled goods are made through money laundering means, he added.

Moudud further said the remarkable 20-25 percent growth in remittance in the last financial year could be achieved mainly because of the anti-money laundering law.

About the Money Loan Court Act 2003, he said, "We are also taking initiatives to amend this law."

Speaking at the seminar inauguration, Lauren Pickett said every country should be aware of money laundering as it may lead to terrorist financing.

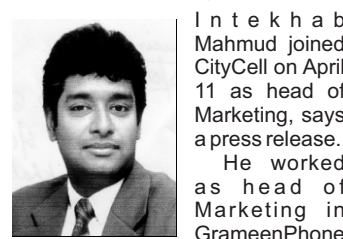
"Knowing your customers is the best solution to check money laundering," she said.

Mamun Rashid, chief executive officer of Citibank NA Bangladesh, however, said Bangladesh is a low-risk country for money laundering activities. "There is no record of terrorist financing through money laundering in the country," he said.

"We need transparency in all financial dealings to check money laundering," Rashid said.

Mamudur Rashid, senior country operations officer and chief finance officer of Citibank NA Bangladesh, and Mahbubur Rahman, head of Financial Institutions of the bank, also spoke at the inaugural function.

CityCell's new head of marketing



Intekhab Mahmud joined CityCell on April 11 as head of Marketing, says a press release. He worked as head of Marketing in GrameenPhone

Limited for seven years.

Mahmud, who completed MBA from the Institute of Business Administration (IBA) of Dhaka University, is general secretary of MBA Club.

ICB Securities opens branch in Sylhet

ICB Securities Trading Company Limited (ISTCL), a subsidiary of Investment Corporation of Bangladesh (ICB), has opened a branch in Sylhet.

With the opening of the branch the investors of Sylhet will get benefit of online trading facilities with the Chittagong Stock Exchange.

Securities and Exchange Commission Chairman Mirza Azizul Islam inaugurated the branch on Saturday, says a press release.

Among others, ICB Chairman Md Hasinur Rahman, Managing Director Md Ziaul Haque Khondker, General Manager Md Jahangir Miah, Sylhet Chamber of Commerce and Industry President Md Muhiuddin, and CEO of the brokerage house were present.

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