

## SHRIMP FARMING EU team visits Khulna region today

STAFF CORRESPONDENT, Khulna

A two-member European Union (EU) team visits the country's southwestern region today to inspect the overall sanitary measures in shrimp cultivation. The team led by a European ambassador during the three-day trip will also inspect the processing of Europe-bound shrimps. The team will visit shrimp hatchery, shrimp filed and processing plants at Khulna and Bagherhat districts. The team will also visit the quality control unit laboratory of the District Fisheries Department at Khulna.

## Eastern Bank co-sponsor of HomeShow-2005

Eastern Bank Ltd has become a co-sponsor of the upcoming HomeShow-2005 that begins from June 9.

A memorandum of understanding (MoU) to this effect was signed between Eastern Bank and Triune Exhibition and Event Management (TEEMS) in Dhaka on Monday.

TEEMS has taken the lead to organise the show at Dhaka Sheraton Hotel during June 9 to 11 to showcase the developments in furniture and home appliances sectors in home and abroad.

Kazi Wahidul Alam, chairman of HomeShow-2005, and Ali Reza Iftekhar, deputy managing director of Eastern Bank, signed the MoU on behalf of their organisations. Kazi Mahmood Sattar, managing director and CEO of Eastern Bank, was also present at the function, says a press release.

Consumers will be benefited from this teaming up, Wahidul Alam said at the MoU signing function.

Kazi Mahmood Sattar said, "Our presence in the show is important since we are going to launch our new product 'EBL Jibon Dhara'-Any Purpose Personal Loan-in this show."

## EC announces fund for non-profit organisations

STAR BUSINESS REPORT

European Commission (EC) to Bangladesh yesterday announced a fund amounting to 1,500,000 euros for the first year for implementing its three-year Small Projects Facility (SPF) programme here in a bid to improve the country's competitive ability in the global market.

The EC has sought proposals from non-profit Bangladeshi organisations to receive this financial assistance by July 10. Those who will miss this first deadline can submit their proposals by September 30, 2005, the final deadline for proposal submission.

SPF is an EC-funded initiative under EU-Bangladesh economic co-operation. Under the SPF programme, grants will be provided for small innovative, strategic and viable projects in the area of economic development and trade related capacity building.

Besides Bangladesh, EC has been running programmes in some other Asian third-world countries

under its Asia investment programme for enhancing Asia-EU trade relation.

EC delegation in Bangladesh yesterday organised a SPF information seminar at Dhaka Sheraton Hotel where high EC officials described the SPF features. They also spoke with the representatives from several local organisations about EU rules and regulation in getting the EU fund.

Under this programme, a total of 1,500,000 euros is available and the amount of EC grant for each project may vary from 30,000 euros to maximum 100,000 euros. The duration of a proposed project must have to be within 12 months.

The delegation said non-profit organisations such as the government departments, local authorities, NGOs, think tanks, universities, research institutes and business organisations can apply for this fund.

SPF will provide grants up to a maximum of 90 percent of the total costs of the approved projects and the grant recipients have to fund the remaining 10 percent, they said.

Esko Kentschynsky, ambassador and head of delegation of the European Commission (EC) to Bangladesh, said the SPF will enhance the trade relation between the EC and Bangladesh, which foresees about 49 million euros overall support for economic development and trade-related capacity building in Bangladesh.

The projects will help the country's export sector as well as create job opportunities, he said.

He said the programme will give special attention to include women in the projects as much as possible along with the disabled.

The EC will give priority over labour standards, fair trade and trade related environmental issues in disbursing the funds, the ambassador said.

Jean-Claude Malongo, EC delegation programme officer for SPF programme, Gomez Puron, second secretary of EC delegation, M Zakir Hossain, team leader of SPF information services, were also present at the seminar.



PHOTO: STAR

Esko Kentschynsky, ambassador and head of delegation of the European Commission (EC) to Bangladesh, speaks at a three-year long Small Projects Facility (SPF) programme launching seminar in Dhaka yesterday.



## StanChart regional general manager arrives today

Jaspal Singh Bindra, general manager for Standard Chartered South Asia Region, arrives in Dhaka today on a short visit.

During his stay, he will meet the Bangladesh Bank governor and key stakeholders of Standard Chartered Bank in Bangladesh, says a press release.

Prior to his present assignment, Bindra was the global head (Client Relationships) of Standard Chartered Bank based in Singapore. He joined Standard Chartered Bank in 1998.

## Unilever, GP sign deal on music talent hunt

Unilever Bangladesh Ltd and GrameenPhone (GP) Ltd have signed an agreement in Dhaka on Monday regarding SMS voting services for Close Up 1, a programme to hunt music talents in Bangladesh.

Under the accord, GP subscribers will be able to vote for their favourite singers in Close Up 1 contest through SMS. Nearly 40,000 aspiring young singers have signed up for this programme from all over the country.

Waqa Ahmed Kazi, finance director of Unilever, and Kafil HS Mueyed, marketing director of GP, signed the deal on behalf of their organisations, says a press release.

## Union Capital chairman re-elected



M Faizur Rahman has been re-elected chairman of Union Capital Ltd.

The Board of Directors of the company re-elected him at a meeting in Dhaka on Saturday, says a press release.

Rahman is a director of Pubali Bank Ltd, Infrastructure Facilitation Centre and Credit Rating Agency of Bangladesh Ltd. He is also the founder chairman and managing director of Asian Surveyors Ltd.

## EU, US face off at WTO in aircraft spat

AFP, Brussels

Washington and Brussels squared off at the World Trade Organisation on Tuesday, raising the stakes in the transatlantic dispute over state aid for aircraft giants Boeing and Airbus.

A day after the United States had requested a WTO ruling on the legality of European aid for Airbus, EU sources said they were set to counter attack by contesting US help for Boeing.

Both sides had tried to avoid a full blown dispute at the WTO, but failed to meet an April 11 target for an amicable solution.

The WTO's 148 members can face huge penalties if they are found to have breached the rules of global commerce and then fail to fall into line with its decisions.

The WTO said it received Washington's complaint on Tuesday and that an initial hearing was scheduled for June 13 to set up

a dispute settlement panel.

The panel could take until 2006 to rule on the dispute, and with possible appeals by either side, a final decision may come even later.

After a visit to the WTO's Geneva headquarters on Tuesday, EU Trade Commissioner Peter Mandelson said he was disappointed by the US move against Airbus, which has overtaken Boeing to lead the global civilian aircraft market.

Mandelson told reporters: "Airbus's success is well earned. It's won through hard work, high technology and huge creativity, not by subsidies as Boeing would like to pretend."

"This decision is highly regrettable from the standpoint of all those who believe that the WTO has better things to do with its time than referee this grudge fight of Boeing against Airbus."

## AIMS mutual fund to be extended to Tk 140m

BDNEWS, Dhaka

The country's first private mutual fund of AIMS will be extended from Tk 70 million to Tk 140 million.

The decision was taken at the annual general meeting of AIMS where the shareholders of AIMS Bangladesh have approved the increase of the size of the fund.

Unitholders of AIMS First Guaranteed Mutual Fund yesterday voted in favour of extending the country's first mutual fund under private initiative by a period of 10 years.

The size of the fund will be

increased through issuance and sales of additional units at par on a pro-rata basis to unitholders whose name appear on the register on June 30, 2005, with a capital guarantee of 50 percent.

The unprecedented move by the unitholders of AIMS First Guaranteed Mutual Fund reflects the confidence of the unitholders in the fund managers, said Managing Director of AIMS of Bangladesh Yawer Sayeed.

The fund was launched in 2000 with a 5-year initial tenure and 100 percent capital guarantee.

At the AGM, the unitholders suggested extending the tenure of the fund by another 10 years along with increasing the fund size.

The meeting was presided over by former Finance Secretary & Bangladesh Bank governor Khorshed Alam. The chairman of Bangladesh General Insurance Company Limited is the trustee of the fund.

The market price of AIMS First Guaranteed Mutual Fund yesterday jumped to Tk 1.97 from previous day's closing at Tk 1.65 per unit after the decision.

## Ecneec okays 8 projects involving Tk 2791cr

BDNEWS, Dhaka

The Executive Council of the National Economic Council (Ecneec) yesterday approved over Tk 2791 crore 8 projects, including RREGS, which witnessed objections at a pre-Ecneec meeting for irregularities.

The approval was given at a meeting of the Ecneec with Finance and Planning Minister M Saifur Rahman in the chair.

Briefing newsmen, Saifur Rahman said of the projects approved, the government would provide Tk 2,389 crore, while Danida and China will give Tk 402 crore.

Earlier, the Tk 822.83 crore project for rehabilitation, renovation and augmentation of grid system (RREGS-phase-2) witnessed objections for irregularities.

"In the first-phase, officials purchased some 41 vehicles without taking permission from the authorities concerned," a highly placed source in the Planning Division said.

"These officials were rebuked at the last pre-Ecneec meeting, which also asked to take necessary legal actions against those persons responsible for these irregularities," the source added.

Projects under the Communications and Power Ministries dominated the meeting. Out of Tk 2791 crore, Tk 2621.59 crore will be spent on four projects of these two ministries.

Of which, Tk 1,600 crore will be spent only for developing roads in district level and Tk 70 crore for construction of a bridge on the

Shitalakshya river.

The Ecneec also approved Tk 128.61 crore project for commissioning of Joydevpur-Kabirpur-Tangail 132 KV distribution line.

The finance minister said for improving the agriculture sector, the Ecneec approved three projects worth Tk 132.68 crore.

He said under these projects, seed production and distribution capacity of the Bangladesh Agriculture Development Corporation (BADCO) will be enhanced.

"We depend too much on imported seeds," the minister said adding that this could be reduced only by enhancing our capacity.

In social welfare sector, one project worth Tk 36.26 crore was also approved by Ecneec for establishing 100-bed Zia Heart Foundation Hospital and Research Centre in Dinajpur.

UNB adds: The country's economic growth (GDP) will stand at around 6 percent in the outgoing fiscal year (2004-05) as emerging new sectors have been taken into national accounts recently, Saifur also told the press after the Ecneec meeting.

"The GDP growth will increase with the development activities the government now pursuing to overcome the losses from the recurring floods," he said in reply to a question.

The government last week approved a GDP growth of 6.27 percent for the fiscal 2003-04 as per the new calculation method that followed a new base-year (1995-96) as well as incorporated the contribu-

tions of agriculture and emerging services sector, including construction and transport sectors.

According to the earlier method of estimates, the GDP growth was 5.5 percent in the fiscal 2003-04 while development partners estimated it to be less than 5.5 percent in the current fiscal.

Replying to a question, Saifur made it clear that government employees would be able to draw salaries as per the new pay scale from today.

He said the employees would prepare their individual salary bills as per provision of the new pay scale and draw accordingly.

However, the government will take back the additional amount from August this year from their salaries if they drew beyond the provision of the new pay scale, he said.

There were apprehensions that the government employees would not be able to draw their salaries as per the new pay scale from June.

Replying to another question, the minister alleged that a section of the press miss-reported that the government diverted development funds from education, health and agriculture sectors to roads and communications sectors for pro-election expenditure.

He clarified that the funds were transferred because the allocated funds remained unutilised in the existing sectors.

## SUBMARINE CABLE LINK

# Alcatel finishes its work for landing station

STAR BUSINESS REPORT

French telecommunications equipment manufacturer Alcatel has completed its work for the Submarine Cable Landing Station at southeastern Cox's Bazar to connect the country to the information superhighway.

However, Bangladesh will have to wait for the global hook-up until completion of the work to link Cox' Bazar with Chittagong through a fibre optic cable network.

State-owned telecoms operator Bangladesh Telegraph and Telephone Board (BTB), one of the operators of the 16-nation SEA-ME-WE-4 submarine consortium, is now doing evaluation to select a vendor to complete the linking work before the September deadline.

The work includes installation of SDH 1670SM equipment and 32 ports of STM-1 optical, 16 ports of STM-1 electrical and 2 ports of HCLink E and 1678MCC equipment (20 ports of STM-64 Optical, 8 ports of STM 16 Optical and 6 ports of STM 4 Optical), according to a release of Alcatel Bangladesh.

Alcatel ISD-Bangladesh has finished the installation of the optical fibre cables and ground works from the beach manhole to the landing station for the same project as a subcontractor of US company Tyco.

The companies in March started laying the cable from Bangladesh's landing station with the backbone of the submarine cable in the Indian Ocean.

Alcatel has set up the equipment at the landing station, while Fujitsu

set up transmission equipment at the branch line. Tyco laid the branch line cable after it sealed a sub-contract deal with Alcatel.

Bangladesh signed the 16-party consortium contract in Dubai on March 27 last year for the mega project on the transcontinental submarine cable, which will be around 20,000 kilometres long, including the main trunk line and branches, and cost about \$500 million to install.

The BTB, Singapore, Indonesia, Malaysia, Sri Lanka, Pakistan, the United Arab Emirates, Saudi Arabia, Egypt, Italy, Thailand, Algeria, Tunisia and France along with Indian private carriers Bharti and VSNL are members of the consortium.

## RUN-UP TO BUDGET FY06

# Simplify tax payment procedure

## Tax lawyers urge govt

UNB, Dhaka

Tax lawyers yesterday placed a 14-point demand to simplify the present tax payment procedure, which they term a 'complicated' one.

Even the most eligible people do not feel interested to pay tax due to the complicated procedure, the lawyers said at a press conference of Dhaka Reporters' Unity (DRU) in Dhaka.

They also urged the government to fix the limit of tax-free income at Tk 1,25,000 from Tk 1,00,000 in the

next budget.

President of Bangladesh Tax Lawyers Association (BTLA) MA Salam Talukder addressed the press conference. BTLA Secretary General Quamrul Alam Chowdhury and other officials were also present.

The BTLA leader urged for bringing more flexibility in the self-assessment system of tax return.

Under the system, a person has an option to fix his own income tax

through self-assessment. But the income tax payers are now being harassed due the executive power of the tax officials which was given removing a relevant provision of the income tax law, he said.

BTLA also demanded omission of the clause 82/C of the Income Tax Ordinance.

The BTLA leader also called for reintroduction of the option of paying tax through direct cash along with the pay order.



PHOTO: CRAB

LankaBangla Finance Limited (LBFL) has signed an agreement on credit rating with Credit Rating Agency of Bangladesh (Crab) in Dhaka on Monday. The rating aims at the forthcoming IPO of LBFL subject to SEC's approval. MA Moyeen, chairman of LBFL, Sayeed Husain Jamal, managing director of LBFL, M Syeduzzaman, chairman of Crab, and Md Matuil Islam, vice-chairman of Crab, among others, attended the signing ceremony.