

## Govt to refurbish NBR to boost revenue

Mulls appointing 15 local, 12 foreign consultants

REJAUL KARIM BYRON

In a bid to increase revenue income, the government is going to overhaul the National Board of Revenue (NBR) from this year and appoint 27 consultants to serve the purpose.

The World Bank will provide \$3.4 million as technical assistance, a large portion of which will be spent to pay 15 local and 12 foreign consultants. The release of WB's development support credit-3 depends on initiating the procedure of appointing the consultants.

The NBR has scripted a five-year strategic reform plan to increase revenue by 2 to 2.5 percent of the GDP. The planning ministry has already approved the plan setting seven specific goals.

Autonomy of the NBR, making the finance minister chairperson of NBR board, creating groups of skilled officials who will be assigned to special areas, introducing help desk for taxpayers, opening regional units of NBR for large taxpayers are some of the key

features of the plan.

The first strategy is to strengthen NBR's organisational structure where the staffs will be assigned to specific role. The plan aims to create groups of skilled officials who will be assigned to such complex tasks as auditing and collection of arrears.

According to sources, excessive direct contacts between taxpayers and tax officers will be discouraged to bring down opportunities of informal payments.

Composition of the board will be changed and certain new advisory members' positions will be created to strengthen core management functions. The positions comprise human resource management member, ICT manager, legal, audit and collection enforcement members and they will directly report to the NBR chairman.

The second strategy aims to improve human resource management under which new recruitment standards will be set. Effective training programmes and modern

practices including pay incentives to motivate staffs will be initiated among others.

As the NBR's limited authority over recruitment of its staffs has given rise to this necessity, it plans to develop a system where it can recruit staffs in close consultation with Bangladesh Public Service Commission (PSC).

The third strategy is to modernise the old existing laws and regulations to ensure clarity, transparency and predictability in the tax management. Priority changes include shortening the list of tax exemption, bringing in new sectors under the tax net and replacing tax holiday with modern accelerated depreciation system.

Under the fourth strategy, effectiveness of the large taxpayer units (LTU) will be strengthened. A 'help desk' will be set up and simplification of tax forms will be made to facilitate taxpayers' compliance. Besides, a core group of officials comprised of skilled auditors and collectors will be assigned to deal with more complex

audit and debt activities.

The fifth strategy is aimed at providing better services to different groups of taxpayers. Specialised brochures catering to different taxpayers' groups will be created and public awareness sessions will be carried out to make taxpayers understand the system better.

The seventh strategy aims to facilitate complete computerisation of the NBR to allow easy sharing of information, which will ultimately enhance efficiency, effectiveness and transparency of revenue collection procedure.

The strategic plan also shows that direct tax contributes 17 percent while indirect tax 83 percent (customs 30 and VAT 53 percent) to the total revenue. The cost of collection is Tk 1.64 (1.22 for direct and 0.43 for indirect tax) per Tk 100 revenue collected.

The cost is very low and it has to be raised if revenue income has to be increased, NBR sources said.

## Heera Jewellers' new showroom at Banani

STAR BUSINESS REPORT

Heera Jewellers Ltd organised a grand jewellery and cultural show to mark the inauguration of the company's new showroom at Banani in Dhaka Thursday.

Mahbubur Rahman, president of International Chamber of Commerce-Bangladesh, as special guest attended the function at Sonargaon Hotel in the capital.

Heera Jewellers, one of the pioneers in promoting specialised jewellery products in Bangladesh, launched its operation in 1965.

The company at first started business at Baitul Mukarram and it has now two showrooms in Dhaka. The new one is located at Iqbal Centre on Kemal Ataturk Avenue at Banani.

Heera Jewellers specialises in solid gold jewellery with *gorowa* settings, exclusive collections of Kolapuri, Multani, South Indian and traditional Pakistani Navaratna jewellery.

Meanwhile, Abdul Awal Mintoo, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), on Thursday morning inaugurated the showroom at Iqbal Centre.

Mizanur Rahman, MD of Prime Bank Ltd, Ali Akbar Khan, MD of Heera Jewellers, and Joya Ahsan, a TV actress, among others, were present.



President Olusegun Obasanjo of Nigeria (C) gives a statement as leaders of the Group of Eight and African leaders stand behind him at the end of a G8 summit yesterday in Gleneagles, Scotland. The heads of the world's eight most powerful nations finalised steps to combat African poverty and global warming at the summit that was subdued and truncated by the bombings in London.

## Fifth WTO mini-ministerial meet begins in China July 12

UNB, Dhaka

A three-day WTO mini-ministerial meeting begins on July 12 in the northeastern Chinese city of Dalian, as part of painstaking preparations for the coming world trade talks.

Commerce Minister Ataf Hossain Chowdhury leaves Dhaka tonight for attending the 5th mini-ministerial preparatory to the WTO ministerial meeting slated for December 13-18 in Hong Kong.

Commerce minister-level representatives of some 30-32 least developed countries (LDCs) are likely to take part in the talks, official sources here said.

A commerce ministry official told the news agency that Ataf Hossain would leave for the Chinese port city two days ahead of the meet aiming

to hold business talks with the local trade bodies trying to boost trade relations between the two countries.

He would also talk to the commerce ministers of different countries on the sidelines of the mini-ministerial meet.

The fourth WTO mini-ministerial meeting was held June 25-27 in Livingstone, Zambia.

Commerce ministry sources said Bangladesh would reaffirm at the meet its stance against unrestrained imposition of various import tariffs by the developed countries on exports from the LDCs.

The country would also favour export diversification and duty-free access of LDC products to the developed and advanced developing countries and unfettered temporary movement of natural persons.

"Bangladesh side will just repeat its position whatever they had taken in the Zambia round of the meet and will try to uphold the Livingston Declaration," the commerce ministry official said.

Bangladesh participated in the WTO mini-ministerial to uphold the trade interests of the LDCs and mobilise a unified stand in the international trade forum. It pressed the developed countries for duty-free access of LDC products to their markets.

The sixth and last mini-ministerial meeting will be held in South Korea in November for the last-ditch preparation for the coming WTO ministerial meet in Hong Kong.

## Global financial markets recover from shock of London blasts

AFP, London

World financial markets mostly found their feet Friday, a day after terrorist bombings killed more than 50 people in London, and also in the knowledge that central bankers stand ready to ward off any threats to the financial system.

However, the Bank of England insisted that it had no plans for a special rate cut.

London's stock market rallied along with its European counterparts as shaken City workers returned to their desks.

"Both the financial community and the public have shown defiance and an inability to allow the terrorist to have more than a temporary impact," said Divyang Shah, strategist with research group IDEAGlobal.

Merrill Lynch analysts added that the attacks "do not appear to represent a targeted threat to the stability of the financial system".

They spoke after US Treasury Secretary John Snow said his department was monitoring global markets in the wake of the "horrific" bombings.

Four bombs exploded at the height of Thursday morning's rush-hour on London's underground railway and a bus, paralysing the city's transport network and rattling global markets. One of the blasts struck at the heart of London's financial district.

"We now know that there are more than 50 fatalities" in the terror attacks, Metropolitan Police Commissioner Ian Blair said in a

news conference Friday. Of the 700 people injured, 22 remained in serious and critical conditions.

London's FTSE 100 index of leading shares recovered from an almost 200-point fall on Thursday. It had hit a three-year high point on Wednesday after London won the right to host the 2012 Olympic Games.

The FTSE 100 rose 1.22 percent to 5,221.10 points in early afternoon trading on Friday after plunging by more than 3.0 percent at one stage on Thursday, before closing 1.38 percent lower.

In Frankfurt the DAX 30 won 0.97 percent to 4,574.23 points Friday, in Paris the CAC 40 jumped 1.42 percent to 4,280.51 points and the DJ Euro Stoxx 50 index of leading

eurozone shares climbed 1.35 percent to 3,212.74.

It was "blindingly obvious" that another terror cell was probably hiding in Britain plotting other attacks after the London bombings - which bore "all the hallmarks" of the Al-Qaeda network, police chief Blair added.

The US currency regained strength Friday before publication of

US jobs data later in the day. The dollar stood at 112.29 yen in early European trading, from 111.99 late on Thursday in New York.

The euro fell to 1.1907 dollars, from 1.1953 late on Thursday.

Sterling however extended losses on speculation that the Bank of England may consider an emergency rate cut because of the tragedy.



A model at a jewellery and cultural show organised by Heera Jewellers at Sonargaon Hotel in Dhaka Thursday to mark the inauguration of the company's new showroom at Banani in the capital.

## Russia blasts Canada over WTO negotiations row

AFP, Gleneagles, Scotland

Russia blasted Canada on Thursday over what the Kremlin described as incomprehensible Canadian conditions for supporting Russian entry to the World Trade Organisation (WTO).

President Vladimir Putin asked Canadian Prime Minister Paul Martin to intervene in the row during their meeting at the G8 summit in Gleneagles, Scotland, Kremlin foreign policy adviser Sergei Prikhodko told journalists.

"There are many declarations of future support" for Moscow's WTO entry bid, Prikhodko said.

"But unfortunately sometimes these declarations do not make themselves felt in negotiating positions. This is the case with Canada."

"To be honest, we are worried," Prikhodko said. "The president openly said that we do not understand why demands by our Canadian partners include elements that, for example, are not of direct concern to Canada itself."

For example, there are "demands for liberalisation of access to the Russian market for Canadian whiskey or medicine," Prikhodko said.

"I don't know how good Canadian whiskey is, but it's not the most important element for us," he said.

After Putin's request for clarification, "the Canadian premier said he will soon meet with the trade minister and sort out why there are these zig zags and promised his personal intervention."

## China backs Nepal's offer to become 'transit corridor'

PTI, Beijing

China Thursday offered to talk to India on Nepal's offer to be the 'transit corridor' for Sino-Indian trade, while backing Kathmandu's efforts to maintain stability in the country.

"China and Nepal talked about Nepal's offer to become a transit point between China and India so as to facilitate the trade between China and India," Chinese foreign ministry spokesman Liu Jianchao said adding Beijing also backed.

Briefing newsmen about the sixth round of bilateral consultations between the two foreign ministries, he said the talks were held between Chinese Vice Foreign Minister Wu Dawei and visiting Nepalese Foreign Secretary Madhu Raman Acharya here this week.

Liu said Wu told Acharya that China is willing to talk about the issue with both Nepal and India.

"Wu said that China is willing to talk about the issue and facilitate a rational trade arrangement with Nepal, India and other South Asian countries. In this regard, we are

willing to discuss this issue with other countries," the spokesman said.

During their bilateral meeting, Wu and Acharya held consultations on bilateral relations, regional and international issues of common interest, Liu said.

Wu said China supported Nepal in its effort to "maintain the stability of the country and promote economic development."

"The two sides spoke highly about the achievements in various fields of cooperation since the establishment of diplomatic relations over the past 50 years. The two sides decided to make greater efforts to promote the development of Sino-Nepalese cooperation in various fields," he said.

"We plan to hold a series of activities to mark the 50th anniversary of diplomatic relations," he said. China and Nepal established diplomatic ties on August 1, 1955.

"We also talked about the situation in Nepal during which the Nepalese side introduced the situation in their country," the spokesman said.



## New MD of Express Ins

Moshleh Uddin Ahmad took over as the managing director of Express Insurance Ltd recently.

Prior to this new assignment, he was the MD of Loyeds Insurance Co Ltd for two years, says a press release.

He then Eastern Federal Union Insurance Co Ltd and took the role of establishing Bangladesh General Insurance Co Ltd, the country's first private sector general insurance company, in 1985.