

## Interest rates of govt savings schemes up

### Investment limit doubles

UNB, Dhaka

The government has revised up the interest rates of national savings schemes by 1.50 percentage point and doubled the investment limits in these schemes, except Pensioners Savings Certificate, to make the investment tools more attractive.

The new rates and the enhanced investment limits will come into effect Sunday next, said an official announcement yesterday.

The interest rate of 5-year Bangladesh Savings Certificate will be 12 percent from the existing 10.50 percent while the rate of

three-monthly profit-earning savings certificate will be 11.50 percent from 10 percent and Pensioners Savings Certificate will be 12.50 percent from 11 percent.

However, the interest rate of Post Office Savings Bank Account has been raised by half percentage point to 12 percent from the existing 11.50 percent.

The maximum limit in Bangladesh Savings Certificate, Three-monthly Profit-earning Savings Certificate and Post Office Savings Account has been raised to Tk 50 lakh from Tk 25 lakh in the case of individual account, and to Tk

1 crore from Tk 50 lakh in the case of joint account.

The investment limit of Pensioners Savings Certificate has been raised to Tk 30 lakh from Tk 25 lakh.

"Government borrowing through the schemes is on downtrend as sales of the instruments have marked a fall," an official told the news agency.

He said the investors might have preferred banking instruments for their lucrative offers compared to the national savings schemes.

## Basis software exhibition concludes

BDNEWS, Dhaka

The five-day Basis Softexpo-2005 at Bangladesh-China Friendship Conference Centre (BCFCC) concluded yesterday.

Hundreds of visitors, particularly students and representatives of the business community, thronged the exposition to have a glimpse of the latest development in the IT sector.

They visited the fair to be acquainted with the latest development of software products including telecom software, e-governance applications, web applications, call handling, employee benefit software and SMS-based in-market sales solutions.

With the theme "More IT, more growth," the Bangladesh Association of Software and Information Services (Basis) organised the software exposition.

## Forum for fair trade begins today

UNB, Dhaka

A two-day "People's Solidarity Forum for Fair Trade" begins in Dhaka today to initiate campaign for fundamental change in the unjust rules and institutions governing international trade ahead of the WTO ministerial slated for December 13-18 in Hong Kong.

Unnayan Onneshan, a development research organisation, in association with ten leading NGOs and NGO networks, is organising the event at the CIRDAP auditorium.

The programme will start at 10am through a civil society dialogue titled "Riding on the Road Options for Bangladesh in the Sixth WTO Ministerial Conference".

Eminent politicians, economists and development activists including Tofail Ahmed of Awami League, Anwar Hossain Manju of JP, Monjurul Ahsan Khan of CPB, Rashed Khan Menon of Workers Party, Hasanul Huq Inu of JSD, Whip Ashraf Hossain of BNP, economists Prof. Muzaffar Ahmed, Qazi Kholiqzaman Ahmed, Prof MM Akash, Charles Whiteley of EC, FBCCI president Mir Nasir Hossain, and BGMEA representative ANM Saifuddin will take part in the discussions.

Khushi Kabir of Nijera Kori will preside over the dialogue where economist Rashed Al Mahmud Titumir will present a keynote paper.

The second day's programme of the forum will be held at Rabindra Sarobar at Dhanmondi tomorrow.

The programme includes discussion by "People's Panel" on WTO, World Bank, agriculture, labour, handicrafts fair, film show, photographic exhibition, folk songs, popular theatre, solidarity speeches and declarations.

## Call to make compliance of auditing standards mandatory

BDNEWS, Dhaka

Speakers at a seminar have voiced their disappointment over the non-compliance of auditing and accounting standards by the companies, calling for new laws to make it mandatory.

Managing Director of Nirman International KZ Islam and past president of ICAB MJ Abedin were speaking at the seminar on related parties organised by the Institute of Chartered Accountants of Bangladesh (ICAB) Wednesday in Dhaka.

ICAB President Sheikh A Hafiz presided over the seminar where M Farhad Hussain and Md Zohirul Islam presented the keynote paper.

KZ Islam said the Bangladesh Accounting Standard (BAS) and the Bangladesh Audit Standard (BAS) are good theoretically, but 95 percent of the companies in the country are not practising accounting and audit standards.

He said a utopian situation is prevailing in audit and accounting practices as there was no monitoring system in Bangladesh. Only some of the listed companies maintain the accounting and audit standards in Bangladesh.

## Better social security key to fighting terrorism

### French economist Jacques Attali talks to The Daily Star

MONJUR MAHMUD

Ongoing terrorist activity is not a specific Bangladeshi problem, it is everywhere in the world and Bangladesh has to face it boldly, observed Jacques Attali, founder and president of PlaNet Finance.

"I think there is a need for better social security to address terrorism everywhere. Only political coalition will not succeed," he told The Daily Star in an exclusive interview on Wednesday in Dhaka.

Attali, who served as special adviser to former president of France Francois Mitterrand from 1981 to 1991, noted inequality in Bangladesh is not going down. When wealth is coming and is unevenly distributed, there is a risk of development of frustration and some killers can find ways for fusing the frustration, he said.

"You [Bangladesh] have entered the classical phase of development of capitalism where accumulation is going more to minority [few people] and it is a very dangerous thing."

Democracy, social infrastructure, market structure, access to high technology and micro finance are five vital areas for a country to develop. Bangladesh is very much advanced in some areas including micro finance while it is far behind in other areas, he noted adding that in a democratic environment, transparency, newspaper, rule of law, lack of fear in everyday life are key to development.

Out of 80 million to 90 million beneficiaries of micro finance in the world, 15 million are in Bangladesh as it is a leading country in the world in this area, but micro finance alone will not bring all benefits, observed Attali.

"Bangladesh needs to focus more on social infrastructure for improving the quality of education, social security, health, water distribution," said Attali, also founder and first president of the European Bank for Reconstruction and Development in London.

"I think it is necessary to build social consensus through transparency and information. Improving quality of public services as well as efficiency in tax system are also very important."

He is very keen on knowing what is happening in Bangladesh. "I met Professor Muhammad Yunus in 1988 and we launched together Planet Finance which has global network to assist micro finance by training, technical assistance, rating and financing."

Attali is founder and president of PlaNet Finance, an international non-profit organisation that uses the Internet to promote socio-economic development, provide micro financing and educate people worldwide about the role of micro-lending in poverty alleviation.

"We are in 60 countries including Bangladesh. We are here to help a Bangladeshi bank -- The City Bank Ltd -- to create SME department. We have also some Bangladeshi experts in our staff in Paris," he maintained.

Attali was amazed with the strength and from 2006-2008.

Since the scrapping of a global textile quota on China at the beginning of this year, China's textile exports to the United States and the EU have surged, triggering trade frictions.

## China's share of US textile market to hit 19.8pc by 2008

AFP, Beijing

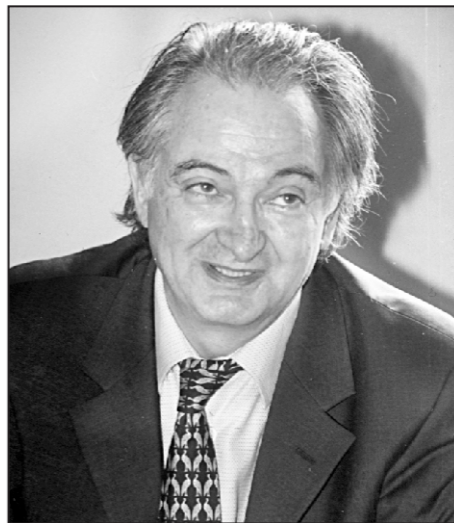
A new Sino-US textile pact is expected to boost the market share of Chinese textile products in the United States to 19.8 percent by 2008 from 6.7 percent in 2004, China's Commerce Ministry said Thursday.

In a statement on its website, an unnamed ministry official said China's market share in the US market will reach 15 percent in 2006, 17.1 percent in 2007 and 19.8 percent in 2008 under growth rates agreed to in the Sino-US textile pact.

Under the deal signed last month, China and the United States agreed to limit exports of Chinese textile products under 21 categories to growth rates of 10-17 percent

from 2006-2008.

The ministry official also said the market share of Chinese cotton knit shirts will grow to 7.7 percent by 2008 from 0.9 percent in 2004. Chinese cotton trousers will also increase their market share to 17 percent by 2008 from 1.5 percent in 2004, the official said.



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Attali was amazed with the strength and

quality of Bangladeshi people elaborating how people were fighting against a massive flood. Terring Bangladesh a strange country, he explained growth in per capita income, which is three percent, is the largest in the world. He said the number of poor is clearly declining and the poor living below \$2 a day is also going down.

"My experience about Bangladesh was outstanding. You have a wonderful group of talented managers and experts. The country has tremendously changed in the last 16 years," he felt.

It is very important to have good and open trade relations with neighbours for any country, he said. "Success of poverty cut will depend on improving trade relations with neighbours. It is true for Bangladesh and it is true for India as well."

"Our organisation is here to help the development of institutions using micro-finance. We are not specifically dealing with technology, which is just one of the instruments we use to develop micro-finance, but we want to be the platform to support micro-finance globally in order to reach the MDGs and beyond."

One of the most important goals of the millennium development goals (MDGs) is fighting poverty, and he believes micro-finance is the best way to do so.

Attali stressed the need for having an efficient tax administration. "There is no efficiency solidarity without majority of citizens paying taxes. You can't hope to reach a solidarity without an efficient tax system," he thought adding that social security can be publicly owned or privately owned or can be organised by private insurance companies.

Debt relief is not a way to address development. When a country gets debt relief it does not find any other banker or agency for lending and taking debt relief is a very bad strategy, said Attali, who recently served as Conseiller d'Etat in Paris and has advised the United Nations General Secretary on nuclear proliferation.

## CURRENCY

Following is yesterday's (December 1, 2005) forex rate statement by Standard Chartered Bank

Sell	BC	Currency	TT Clean	Buy	OD Sight Doc	OD Transfer
67.4700	67.5000	USD	66.3000	66.2779	66.2337	66.2337
80.4242	80.4600	EUR	77.1401	77.1143	77.0629	77.0629
117.3303	117.3825	GBP	113.4062	113.3683	113.2927	113.2927
50.8926	50.9153	AUD	48.1935	48.1774	48.1453	48.1453
0.5703	0.5706	JPY	0.5500	0.5498	0.5494	0.5494
51.8880	51.9111	CHF	49.9623	49.9457	49.9124	49.9124
8.6751	8.6790	SEK	7.9168	7.9142	7.9089	7.9089
58.3954	58.4213	CAD	56.2436	56.2249	56.1874	56.1874
8.7198	8.7236	HKD	8.5318	8.5290	8.5233	8.5233
40.7255	40.7436	SGD	39.0989	39.0859	39.0598	39.0598
18.5194	18.5277	AED	17.9054	17.8994	17.8875	17.8875
18.1347	18.1427	SAR	17.5392	17.5334	17.5217	17.5217
11.1058	11.1107	DKK	10.0893	10.0860	10.0792	10.0792
227.6151	227.7185	KWD	225.8480	225.7750	225.6291	225.6291

Exchange rates of some currencies against US dollar						
Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	Malaysian ringgit
45.7	59.7525	101.945	41.265	6.2000	0.6957	3.78

**Local Interbank FX Trading**  
Local interbank FX market was active on Thursday.

**Local Money Market**  
Money market was active on Thursday. Call money rate was unchanged and stood between 6.00 and 6.50 percent.

**International Market**  
The euro was in sight of a lifetime high against the yen on Thursday ahead of an expected rate rise by the European Central Bank, while the dollar inched towards a fresh 2-year peak versus the Japanese currency. The ECB is widely expected to bump up its key rate to 2.25 percent from the current 2 percent later in the day, the first rise in 5 years.

## Thai Airways takes over management of Shah Amanat Int'l Airport

STAR BUSINESS REPORT

The management of the Shah Amanat International Airport in Chittagong has been handed over to Thai Airways International Public Company Limited.

Civil Aviation Authority of Bangladesh (Caab) and Thai Airways International signed a management contract to this effect yesterday in Dhaka.

Air Commodore AKM Harun Chowdhury, chairman of Caab, and Somchainuk Engrakul, member of the Board of Directors Acting as President of Thai Airways International Public Company Limited, inked the deal on behalf of their respective organisations.

AKM Zafar Ullah Khan, civil aviation and tourism secretary, and Suphat Chitranukroh, Thai Ambassador to Bangladesh, were

also present at the signing ceremony.

The Thai company was awarded the bid at the net amount of TK 529 million to manage Shah Amanat International Airport for ten years, as per a cabinet decision approved on June 23, 2004.

The Thai Airways would provide services to the airport in four primary activities that include passenger services, ground equipment, cargo and catering services.

As the airport management, the company will operate, maintain and manage the airport terminal building, ramp handling, cargo handling, airport security, maintenance and upkeep of buildings as well as preventive and routine maintenance during the period.

It would also be responsible for collecting fees for airport landing charges, security charges, embar-

kation fees, as well as ground handling related fees on behalf of the Caab.

Speaking at the ceremony, Zafar Ullah Khan said signing the contract with the Thai Airways will boost tourism in the region.

The move will turn Chittagong into a tourism hub as the promotional activities of the Thai Airways will attract more tourists. Thai Airways has been operating flights to and from Bangladesh since 1965 and it currently operates three non-stop flights a week on Bangkok-Chittagong route.

Annual capacity of the airport is around 5,20,000 passengers and 5,700 tonnes of cargo from an estimated aircraft movement of 11,000. The airport was constructed with the Japanese finance at a cost of TK 5,710 million.



PHOTO: STAR

Air Commodore AKM Harun Chowdhury, chairman of Civil Aviation Authority of Bangladesh (Caab), and Somchainuk Engrakul, member of the Board of Directors Acting as President of Thai Airways International Public Company Limited, sign an agreement on behalf of their organisations in Dhaka yesterday. Under the deal, Thai Airways has taken over the management of Shah Amanat International Airport in Chittagong.

## WTO credibility at stake in HK meeting: US

REUTERS, Washington

Troubled trade talks promise little benefit to the world economy unless more progress is made on cutting tariffs next month in Hong Kong, US trade representative Rob Portman said.

"We need to make enough progress in Hong Kong to be able to demonstrate to the global community, including the US business interest, that this round really will make a difference in terms of our economy," Portman said in an interview on CNBC. "I think we can do that."

But Portman conceded that sharp differences over how far to cut agricultural tariffs meant "the progress in Hong Kong won't be as great as we hoped."

The 148 member states of the World Trade Organisation are to meet December 13-18 in Hong Kong in hopes they will make

enough progress to keep alive chances of an agreement by the end of 2006. WTO members launched the current round, the Doha Development Agenda, in November 2001.

While the United States has offered to sharply cut its trade-distorting farm subsidies, it can only follow through on that if other countries agree to cut their tariffs, he said.

"We're still waiting for the reciprocal contribution on market access. That's primarily the European Union and a few other countries that are not interested in opening up their markets enough on the tariff side," Portman said.

The EU says it has substantially reformed its agricultural policy in recent years and already put forward its best offer in the world trade talks. It's now up to others like Brazil and India to make serious offers to open their goods and services

markets to more foreign trade, Brussels says.

Portman said he would be meet again with top trade officials from the EU, Brazil, India, Japan and other countries later this week. That is expected to take place in Geneva on Friday and Saturday.

The troubled round is expected also to be on the agenda for a London meeting of finance ministers from the Group of Seven leading industrialised countries on Friday and Saturday.

The G7 includes France, which is the EU member most resistant to farm trade reforms demanded by others in the world trade talks, as well as Britain, Germany, Italy, Japan, Canada and the United States.

Washington hopes the meetings in Geneva and London will give new momentum to the negotiations heading into the Hong Kong ministerial meeting in December.