

Star BUSINESS

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Red tape stifles Sri Lanka's business confidence

AFP, Colombo

(162nd).

The authors also ranked countries in individual problem areas.

Sri Lanka was ranked as the 98th most expensive country in the world to employ workers, as restrictive labour laws make it costly to dismiss staff.

"Although it is easy to hire, it is almost impossible to fire a worker ... where it costs 178 weeks of wages," the report said, adding that "reforming labour laws is an urgent priority."

Rigid labour laws are also pushing workers into the informal sector and stifling the creation of new jobs.

"Sixty-two percent of jobs in Sri Lanka remain in the informal sector. There, workers have no health or social benefits and are not protected by any contracts," the report said.

Sri Lanka was in 157th place for

its tax environment, the worst ranking in South Asia.

"Businesses must make 61 different payments a year and spend an average of 256 hours to comply with tax rules," the report said.

The authors estimate firms have to set aside 75 percent of their profits to pay taxes. "The result is significant tax evasion and avoidance," the report said.

In neighbouring Bangladesh, firms set aside only 40 percent of their profits for taxes, while in Nepal the tax burden is only 33 percent.

Sri Lanka ranked 90th for "enforcing contracts."

"It takes 837 days and 20 procedures to enforce a contract. Such practices encourage business to trade with a narrow group of known business partners, or simply internalise the risks and avoid trade

altogether," the report said.

Sri Lanka ranks 71st in the world in terms of dealing with business licenses, which take 167 days to get approval.

To get a building permit in Colombo costs more than 400 dollars, whereas it's free in most other countries.

The report also highlights that it costs 550 dollars to get an electricity connection and 220 dollars to get a telephone line in Colombo.

When it comes to winding up a business, Sri Lanka ranked in 59th place. Creditors spend on average four years to recover their money and only get 20 cents on the dollar.

India was the most inefficient nation for winding up firms: it takes more than 10 years to recover just 13 cents to the dollar.



PHOTO: GLOBAL INSURANCE

The Annual Conference 2007 of branch in-charges and executives of Global Insurance Ltd was held recently in Dhaka. Chairman of the company Mahabub Morshed Talukder, among other senior officials, was present at the meeting.



PHOTO: BGIC

Towhid Samad, chairman of Bangladesh General Insurance Company (BGIC) Ltd, speaks at the annual review meeting of the branch and zonal managers of the company recently in Dhaka. AK Azizul Huq Chaudhuri, managing director, among other senior officials, is seen.

CURRENCY

Following is Thursday's (February 15, 2007) forex trading statement by Standard Chartered Bank

Major currency exchange rates	Exchange rate of some currencies		
	BC Sell	TT Buy	Per USD BDT per Currency
US dollar	69.45	68.15	
Euro	92.61	88.00	Indian rupee 43.92 1.57
Pound	137.87	132.12	PAK rupee 60.79 1.13
Australian dollar	55.79	52.01	Lankan rupee 108.60 0.63
Japanese yen	0.59	0.56	Thai baht 35.80 1.92
Swiss franc	56.99	53.95	Malaysian ringgit 3.50 19.67
Swedish kroner	10.44	9.40	
Canadian dollar	60.63	57.91	USD forward rate against BDT
Hong Kong dollar	8.91	8.71	
Singapore dollar	46.28	44.26	Buy Sell
UAE dirham	19.06	18.41	1M 68.25 69.52
Saudi riyal	18.67	18.03	2M 68.37 69.78
Danish kroner	12.80	11.51	3M 68.51 70.00
Kuwaiti dinar	236.83	234.11	
		6M 68.95 70.71	

* All currencies are quoted against BDT
* Rates may vary based on nature of transaction

Local Market

FX: Local inter-bank FX market was active on Thursday as the banks prepared to close for the weekend. The demand for USD

* The forward rates are indicative only and fixed dated
remained stable, and the volume of cross transactions was steady. The USD remained almost unchanged against the Bangladeshi taka.



PHOTO: HEIDELBERGCEMENT

Future Developments Ltd has signed an agreement with HeidelbergCement Bangladesh Ltd recently. Under the deal, Future Developments will use ScanCement of HeidelbergCement for all its projects. MK Saha, managing director of Future Developments, and Saumitra Mutsuddi, senior manager (Corporate Sales) of HeidelbergCement Bangladesh, signed the deal on behalf of their sides.

STOCK



SHIPPING

Chittagong Port

Berthing position and performance of vessels as on 15/2/2007

Berth No.	Name of vessels	Cargo	L. Port call	Local agent	Dt of arrival	Leaving	Import disch
J/1	Vien Dong-2	Gl(Pa/st)	Sing	Prog	13/2	17/2	1839
J/2	Qing Jiang(liner)	Gl	Qing	Cosco	10/2	22/2	758
J/4+3	Ariela	Wheat(p)	Odessa	Pol	6/2	22/2	499
J/6	Hanjin Houston	Gl/St.scrap	Sing	Everet	9/2	15/2	3001
J/7	Phu Tan	Cont	Pip	PSSL	6/2	18/2	86
J/8	Mir Damad	Cont	Kol	BSC	10/2	16/2	65
J/9	Mare Hibernum	Cont	P. Kel	Seacon	7/2	17/2	140
J/10	Kota Ria	Cont	Sing	Pil(Bd)	6/2	15/2	68
J/12	Banga Bijoy	Cont	Col	Baridhi	11/2	17/2	--
J/13	Phoenix T.c.w. Phu Tan	Cont	Sing	PSSL	8/2	16/2	159
CCT/1	Rio Lawrence	Cont	Sing	QCSL	7/2	17/2	286
CCT/2	Gao Cheng	Cont	Sing	PML	7/2	15/2	137
CCT/3	Coastal Express-1	Cont	Chenn	BSC	9/2	15/2	123
NCT/1	Bangler Shikha	Cont	P. Kel	BSC	8/2	16/2	105
NCT/2	Csav California	Cont	Col	PSSL	7/2	17/2	178

Vessels due at outer anchorage

Name of vessels	Date of arrival	L. Port call	Local agent	Type of cargo	Loading ports
Theodor	16/2	Viza	Saraf	G. Sleg	--
Triton Eagle	15/2	Sant	USL	R. Sugar	--
Judi Muhiuddine	16/2	Stax	SSST	TSP(BdC)	--
Banga Bodor	15/2	Sing	Baridhi	Cont	Sing
Eagle Pioneer	16/2	Sing	CT	Cont	Sing
Cape Henry	16/2	Sing	APL	Cont	Sing
Oceanida	16/2	Balai	Majestic	--	--
Banga Borak	16/2	Sing	Bdship	Cont	Sing
Eshan	16/2	Sing	CEL	Cont	Sing
Yongxing	19/2	Col	PSSL	Cont	Col
Sinar Merak	17/2	P.Kel	PSSL	Cont	Sing
Banga Borli	17/2	P. Kel	Baridhi	Cont	P. Kel
Kota Ratna	17/2	Sing	Pil(Bd)	Cont	Mgl
Sannin	17/2	Lumut	Litmond	C. Clink	--
Tian Ling	17/2	Sing	MBL	C. Clink	(conf)

Tanker due

Ginga Jaguar	15/2	Safi	PSL	Phos. Acid	CUPLU
Sc Gouji	16/2	Dumai	SNCL	CPO/RM/34/	
Borak	16/2	Hald	FSA	Bitumen/RM/3)	
Global Eos	16/2	Lumut	Rainbow	CPO/RM/4)	
Banga	17/2	Kuwa	MSTPL	HSD/JP-1	

Vessels at Kutubdia

Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
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Outside Port Limit				
Sea Drill-6	Pro. Equip	--	IBSA	8/1
Gulf Dril-9	Pro. Equip	--	IBSA	3/1
Pacific Champion	--	--	IBSA	R/A(9/2)
Pacific Steel	P. Equip	--	IBSA	R/A(14/2)
Hawaiian Star	Crude Oil	Rast	DSL	5/2

The above are the shipping position and performance of vessels at Chittagong Port as per berthing sheet of CPA supplied by Family, Dhaka.