

NCC Bank Foundation formed

STAR BUSINESS REPORT

National Credit and Commerce (NCC) Bank Ltd has formed 'NCC Bank Foundation', which will get one percent of the bank's profit every year, to contribute to the socio-economic development of the country.

Chairman of the bank Mahbubul Alam Tara formally inaugurated the non-profit foundation at a function on Thursday in Dhaka.

"Every year the bank will provide one percent of its profit for the foundation," Tara said at the function.

The objectives of the foundation include providing education loan and scholarship, setting up schools and other institutions, helping disaster-affected people and promoting positive activities, officials said.

As part the initiative of the foundation, the bank formally gave Tk 1 lakh to Economic Reporters' Forum (ERF) at the function. The ERF will introduce an annual award for best economic reporting by using the fund.

Founder chairman of the bank M Haider Chowdhury and Vice Chairman of the Board of Directors Nurun Newaz, among others, spoke at the function.

Citibank workshop on uniform customs

Citibank NA Bangladesh recently organised a workshop titled "UCPDC 600 (Uniform Customs and Practice for Documentary Credit) - What's Awaiting" in the Dhaka Export Processing Zone (DEPZ) as part of global trade initiatives and client education, says a press release.

As the global trade regime moves on from UCP 500 to UCP 600 from July 2007, Citibank, as one the leading trade finance bank, is organising these awareness building and informative session for all the relevant stakeholders as well as various banks in order to make the local trade practitioners well equipped to face the global challenge.

Thirty executives from the leading business houses located in the DEPZ attended the daylong interactive session. Md Moinal Huq, head of Trade Product & Sales, Citibank NA Bangladesh, conducted the session. Khondoker Rashed Maqsood, director and head of Global Transaction Services, and Abrar A. Anwar, director and head of Corporate Banking, were also present.

Bank of America profits eclipse Citigroup's

AFP, New York

Bank of America posted better-than-expected quarterly profits Thursday totaling 5.26 billion dollars, gaining a fresh edge over arch-rival Citigroup which has seen its profits ebb in past months.

Bank of America has expanded aggressively in recent years, swallowing FleetBoston Financial and the MBNA credit card firm, and its latest profits eclipsed Citigroup's first quarterly earnings for the second straight time.

At stake is Citigroup's lucrative perch as America's biggest financial powerhouse, a position coveted by Bank of America. The raging battle is being tracked closely by investors and industry analysts.

Despite its slowing profits, however, Citigroup's market capitalization at 261 billion dollars still outranks its rival's market worth of 227 billion dollars for the time being.

"Bank of America is off to a solid start in 2007 despite a challenging operating environment," said the bank's chairman and chief executive Kenneth Lewis who has pushed to enlarge the firm.

Google sees 69pc rise in Q1 profit

AP, San Francisco

Google Inc has flashed its financial prowess once again, reporting a 69 percent increase in first-quarter profit to surpass analyst projections by 38 cents per share. Google has now delivered pleasant earnings surprise in all but one of 11 quarters since going public in August.

Investors showed their appreciation by driving up Google's stock price by \$15.15, or 3.2 percent, in extended trading Thursday. The shares had fallen \$4.36 to close at \$471.65 on the Nasdaq Stock Market before the earnings came out.

Automated clearing system in BB early next year

Aims to process cheques, credit and debit payments instruments electronically

PORIMOL PALMA

The introduction of an automated clearing system in Bangladesh Bank will slash the time it takes to settle payments and give a major boost to commercial activities in the country, according to officials from Bangladesh Bank.

Bangladesh Automated Clearing House (BACH) is expected to be launched early next year and will process cheques, credit and debit payments instruments electronically.

"Now it takes 15 to 30 days to get money from a bank outside Dhaka, but once BACH is introduced, the money could be transferred in 2 to 3 days," BB Executive Director Khandakar Muzharul Haque told The Daily Star.

As part of the initiative, cheques from different banks will be standardised with the introduction of

Magnetic Ink Character Recognition (MICR) cheques, Muzharul said.

BACH is part of the Remittance and Payments Partnership Project supported by the UK's Department for International Development (DFID).

The project also involves the setting up of a national council for payment systems (NCPS), established on April 9, which will provide a forum for bringing together the best ideas in the financial sector to develop effective payment policies.

The NCPS will form working groups to address legal, regulatory, strategy and operational payment issues and make practical recommendations based on research.

The BB will chair the council, while the ministries of finance and commerce, office of the Controller General of Accounts, Bangladesh Telecommunications Regulatory Commission will be its permanent

members.

The other members, which will be temporary and initially for two years, include Sonali Bank, Bangladesh Krishi Bank, Bangladesh Islami Bank Ltd, Pubali Bank Ltd, Prime Bank Ltd, Dhaka Bank Ltd, Dutch-Bangla Bank Ltd, Southeast Bank Ltd, Brac Bank Ltd, Standard Chartered Bank and HSBC Bank.

Besides BACH, 'image' cheques (electronic cheques) could also be introduced in future, but it will require amendment to existing laws, said Sufiya Akhtar Begum, senior system analyst (Payment System) of the BB.

"Once we are accustomed to using image cheques, we can also introduce RTGS (Real Time Gross Settlement), a fully electronic payments system where one can debit or credit money in a very short time," she noted.

Economic prospect not bleak: BB governor

UNB, Dhaka

Bangladesh Bank Governor Dr Salehuddin Ahmed yesterday said the country's economic prospect is not bleak, as the achievement so far is not bad.

"The achievement is more or less good, but it would have been better," he told a seminar at Jatiya Press Club in Dhaka, stressing the need for addressing three challenges-- governance, growth and globalisation -- to attain a better economic prospect.

Institute of Bangladesh Studies (IBS) Alumni Association of Rajshahi University organised the

seminar titled "Bangladesh Vision 2025" with the association President Prof Muklesur Rahman in the chair.

Communication Secretary Dr Mahbubar Rahman and association General Secretary Prof M Z Abedin also addressed the seminar where seven theme papers were presented.

The central bank governor emphasised creating enabling environment for development through ensuring transparency and accountability of every institution.

To ensure growth, the country would have to have smoothly run economic activities, he said.

"We're not an island now. We're a part of globalisation," he said, stressing the need for actions on the domestic front consistent with the global trend.

Dr Salehuddin said his vision is to see development in a decentralised manner so that development does not take place in the urban areas only.

He added people visiting the country consider Dhaka as Bangladesh, a notion that needs to be removed through balanced development.

"My dream is a balanced society," he said, stressing the need for reaching benefit of economic growth to the poor.



PHOTO: PRIME BANK

Chairman of Prime Bank Ltd Imam Anwar Hossain inaugurates the 51st branch of the bank in Tangail on Tuesday. Managing Director M Shahjahan Bhuiyan and other senior officials were also present.

WTO to intensify tariff talks despite impasse among main players

AFP, Geneva

WTO member states decided Friday to intensify talks on lowering customs tariffs despite the absence of agreement between the four key players, the United States, the European Union, India and Brazil, known as the G4.

"The multilateral process can no longer be made to wait for the contribution of smaller groups," said WTO director general Pascal Lamy.

The 150 member states charged the heads of working committees on agriculture, services and non-agricultural market access to quickly prepare compromise texts without waiting for any breakthrough in G4 talks.

Ministers from the G4 met in New Delhi last week but failed to reach a deal on agriculture, which has stymied global trade talks since the Doha round was launched in the Qatari capital in 2001.

Within the G4, the United States and the European Union have engaged in bitter arguments over trade in agricultural goods, with

China, Australia to push for FTA

AFP, Beijing

Australia and China will push for progress in free-trade talks ahead of Chinese President Hu Jintao's visit to Sydney in September, Australia's trade minister said here on Friday.

"Minister Bo and I reaffirmed our commitment to achieving progress in the negotiations, including in advance of the visit to Australia by President Hu Jintao in September," Australian Trade Minister Warren Truss told reporters.

Brussels demanding more reductions in US farm subsidies and Washington insisting that proposed European tariff cuts do not go far enough.

At the New Delhi meeting, the ministers agreed only to aim for a compromise by mid-June.

Meanwhile, the head of the agriculture working group, Crawford Falconer, plans to issue a "challenges paper" to provoke movement among member states on tariffs and subsidies ahead of the group's next meeting on May 4, trade sources said.

Lamy told Friday's meeting that a deal is still "doable" but all players need to redouble their efforts to secure a positive outcome.

"This is a big task. In my view, it is doable... but it will only be possible if you all put every effort into making the multilateral process the pathway to success," he said.

Newsletter of engineering industry owners' assoc launched

Bangladesh Engineering Industry Owners' Association (BEIOA) and SouthAsia Enterprise Development Facility (SEDF), the advisory services of International Finance Corporation (IFC) for South Asia, have jointly launched the association's official newsletter titled 'News and Views'.

The objective of the newsletter is to promote collaboration among the light engineering businesses in Bangladesh, helping maximise the sector's potential, says a press release.

The sector is comprised of informal, disaggregated small and medium enterprises that need an integrated strategy to achieve the sector's full growth potential.

"Financial institutions are reluctant to lend to light engineering firms because they are unfamiliar with the business and unable to assess their risks or profit potential," said Roger Handberg, program manager (Access to Finance) of IFC-SEDF Bangladesh, at the launching ceremony on Tuesday.

The newsletter will be part of an awareness building drive among the business-to-business community of consumers, service providers, financial institutions and the government, Handberg added.

"Through this newsletter we hope to share knowledge about the issues affecting the light engineering sector in Bangladesh, identify ways to address these issues, and bring our members closer together," said BEIOA President Abdur Razzaque.

Siemens supervisory board chief quits

AFP, Frankfurt

Siemens' former chief executive and current supervisory board chief Heinrich von Pierer is to quit next week, the German engineering giant said late on Thursday, as the company sinks ever deeper into a mire of corruption allegations.

Von Pierer, hitherto one of the most respected company executives in Germany, is to "vacate his position at the beginning of the supervisory board meeting on April 25," Siemens said in a statement.

He is to be replaced by fellow board member Gerhard Cromme, who will chair the board until January 2008, when von Pierer's contract had originally been scheduled to expire.

Von Pierer, 66, who was even mooted at one time as a possible candidate for German president, strenuously denied any wrongdoing, but said he was standing down in the interests of the company.

"I have always believed that one's duty to the company and its well over 400,000 employees worldwide must take priority over one's own interests," von Pierer said.

"A personal responsibility regarding the current investigations was not the basis for my decision," he insisted.

Sony Ericsson boosts profits with mobile phone boom

AFP, Stockholm

Sony Ericsson, which makes mobile telephones, reported a leap in first-quarter profits on Friday owing to a 63-percent surge in the number of telephones sold.

The Japanese-Swedish company said that net profit in the quarter had more than doubled on a 12-month comparison to 254 million euros (345.5 million dollars) from 109 million euros.

The company said that it had made "a very positive start to the year selling 63 percent more phones in the first quarter than a year ago.

"The strong sales and solid financial performance demonstrate a continuation of the momentum we established last year," the president of Sony Ericsson, Miles Flint, said.

The company, created by Ericsson of Sweden which is the world leader in making mobile telephone network systems and by electronics group Sony, also said that it would make payments totalling 848 million euros to its parent companies in 2007 in the form of dividends, or of both a dividend and a capital redemption.

Bangladesh should go for 3G mobile technology

Ericsson global head tells The Daily Star

MD HASAN

Bangladesh should plan to introduce 3G or third generation mobile technology as it is very cost efficient, said Carl-Henric Svanberg, president and chief executive officer (CEO) of Ericsson, a leading telecommunications equipment and services provider.

"Sometimes we think the 3G technology is for developed market. But the reality is that the need for data transmission through handsets may be useful options in a country like Bangladesh," the global head of Ericsson told The Daily Star in an interview in Dhaka yesterday.

The 3G mobile technology is capable of transmitting voice, data and video to subscribers' mobile sets.

The 3G has a very competitive edge over the 2G when it comes to deploying networks, said Svanberg, adding that when it comes to handsets, the 3G sets will also be cheaper than 2G sets.

He said Bangladesh should take positive decision on 3G without any delay if the country wants the technology by the next couple of years.

Svanberg, who was on a daylong visit to Bangladesh, also said the development of telecommunications can help Bangladesh get a better position in the global economy.

He said, "There is an interesting connection between telecommunications development and economic growth."



Carl-Henric Svanberg

Quoting a research, Svanberg said every 10 percent increase in mobile penetration boosts GDP growth by 0.6 percent.

The average 5 to 6 percent economic growth in Bangladesh during the last few years indicates the country's economic potentiality, he added.

Svanberg, who has been with Ericsson since 2003, said his company always helps operators find most cost-efficient solutions.

Ericsson had an exciting time in 2006. At present, Ericsson systems connect about 40 percent of all mobile calls in the world.

Ericsson is rolling out mobile

broadband with data speed of 5 or 6 megabit per second. About Ericsson's use of HSPA (High-Speed Packet Access) for broadband network, Svanberg said HSPA is similar to WiMAX.

When asked about the high tariff of phone calls, he said, "The charge of cell phone calls will be reduced automatically, as the cost of technology is becoming cheaper every year."

When the number of subscribers is significant like 50 million in Bangladesh, the rate of call will be reduced automatically, he said.

Microsoft discounts student software in developing countries

AFP, San Francisco

Microsoft is offering a low-cost, scaled-down version of its student software in developing countries to help billions of poor people access computer technology, the company said Thursday.

A Student Innovation Suite including Windows XP, Office, and Learning Essentials 2.0 will be sold to "qualifying governments" beginning later this year for three dollars a unit.

"All human beings deserve a chance to achieve their full potential," Microsoft chairman Bill Gates said while announcing the program in Beijing.

"Bringing the benefits of technology to the next five billion people will require new products that meet the needs of underserved communities; creative, new business approaches that make technology more relevant, accessible and affordable; and close collaboration between local governments, educational institutions and community organizations."

The discounted software offer is an expansion of Microsoft's Unlimited Potential program aimed at accelerating the adoption of computer technology in developing

countries. "Given the immense challenge of bridging the digital divide, the industry will have to take a comprehensive approach to providing computing to the 'next billion' people," said Endpoint Technologies analyst Roger Kay.

"Strategies with the greatest potential will involve collaboration among many players, including governments, NGOs, commercial carriers, financing entities, local providers, services organizations, and hardware and software vendors."

Analysts also saw Microsoft's philanthropy as helping the Redmond, Washington-based company entrench its position as the world's top software company by cultivating the devotion of billions of new computer users.

Microsoft also announced an alliance with the Asian Development Bank to bolster the use of Internet and computer technology to increase competitiveness and sustainable economic development of the Asia-Pacific region.

"Information communication technology holds significant promise for poverty reduction, ADB's overarching goal," said development bank vice president Larry Greenwood.



Junior Chamber International VP due tomorrow

Ditri Kemala Rizki Abdullatief, vice president (Area B) of Junior Chamber International (JCI), is expected to arrive in Dhaka tomorrow on a two-day visit.

An Indonesian, Abdullatief joined JCI Jakarta in 1998 and became local president in 2002 and national executive vice president in 2004, says a press release.

In 2007, she has been assigned to Bangladesh, India, Nepal, Pakistan and Sri Lanka as JCI VP.