

Star BUSINESS

E-mail: business@theluckystar.net

Govt ready to offload BTTB shares next year

Says finance adviser

STAR BUSINESS REPORT

The government is prepared to sell off shares in Bangladesh Telegraph and Telephone Board (BTTB) by next year, Finance Adviser Mirza Azizul Islam indicated yesterday.

However the adviser said the process of corporatising BTTB must be completed before the shares can be sold.

"The government has already decided to corporatise BTTB, and the organisation might be ready to offload its shares after completing all formalities to become a corporate body," Azizul said at the inauguration of Dhaka Stock Exchange Training Academy at DSE's conference room.

"The offloading of BTTB's

shares will take a little time as the valuation of its assets is time-consuming," the adviser said, adding that a World Bank consultant team is working on a value assessment of BTTB.

He said the government is getting ready to offload shares in several state-owned enterprises, including some oil companies, banks, Titas Gas and Jamuna Multipurpose Bridge to enhance the supply of securities to the market.

The adviser said there is likely to be some progress in the offloading of shares of Jamuna Bridge this year.

Although Azizul stressed that the government or regularly bodies could not force private companies to list, he criticised private sector

enterprises, especially family-owned companies, for not listing on the capital market to raise their capital base.

He said family owned companies still lacked the vision for expansion, and should instead follow the examples of Indian companies like Tata and Reliance, which have adopted the trend of global expansion.

The Indian business giants have spread their position across the globe, opening or taking over businesses in the Middle East and as far as Europe, said Azizul, a former chief of the Securities and Exchange Commission (SEC).

He said the government realised less taxes from listed companies than unlisted ones to encourage

more to come to the market and suggested the bourse organise road shows in order to attract more companies to the market.

Azizul was chief guest at the event which was chaired by Abdullah Bokhari, president of Dhaka Stock Exchange (DSE), with Faruq Ahmad Siddiqui, SEC chairman, Salahuddin Ahmed Khan, DSE chief executive officer, and Kaiser A Chowdhury, managing director of AB Bank, also spoke at the function.

The SEC chairman said in the recent past there had been a demand crisis in the capital market. But now the market was vibrant. He said to sustain the market trends, more supply of securities is required.



Industries Adviser Geetara Safiya Choudhury inaugurates the Niloy Cement Clinkerization Industries Ltd, the first ever private sector plant producing cement clinker, at Bashudia in Jessore on Sunday.

Proposed business forum to have lasting impact on economy: MCCI

CA, army chief's assurances hailed

STAR BUSINESS REPORT

Metropolitan Chamber of Commerce and Industry (MCCI) yesterday hailed the assurances the chief adviser and the army chief recently made to the businesspeople at a dialogue with them.

Terming the assurances timely and convincing, the MCCI in a press statement said the chief adviser's announcement for formation of Bangladesh Better Business Forum to be chaired by the chief adviser and conducting of a quarterly survey on business confidence in the country will have a lasting favourable impact on the economy.

Urgent measures will be taken to ensure implementation of the chief adviser's two proposals on a priority basis, hoped the metropolitan chamber saying that such implementation would help achieve the private sector's desired role.

The 3-monthly survey on business confidence could be of great help to monitor and evaluate policy coordination and their implementation, the chamber said.

The MCCI statement also welcomed the Intel chairman's recent visit to Bangladesh and said it will prove to be a significant milestone

for developing the ICT sector in the country.

"Dr Craig Barrett's visit will put Bangladesh firmly on the ICT map and given the requisite policy support by the government, can attract significant investments in computer hard-ware and soft-ware manufacturing, which can provide employment opportunities to hundreds of thousands of people," it remarked.

Dollar falls

AFP, Tokyo

The dollar suffered fresh losses in Asian trade on Monday after a surprise fall in US employment raised concerns that the world's largest economy is rapidly losing steam, dealers said.

The dollar fell below 113 yen for the first time in about three weeks before recovering some ground, dipping to as low as 112.59 yen.

By mid-afternoon in Tokyo the greenback stood at 113.14 yen, down from 113.47 in New York late on Friday when the weak US jobs data had sent the greenback skidding lower.

The euro rose to 1.3783 dollars from 1.3769 but fell to 1.35.93 yen from 1.36.27.

In the inaugural programme, a

New SME helpline centre launched

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With a view to providing up-to-date information for the small and medium enterprises (SMEs), a new SME helpline centre (SME-HC) was launched in Dhaka yesterday.

The new one is among the 32 centres established in 25 districts of the country to have a close contact with actors of the sector.

Industries Secretary Nurul Amin inaugurated the centre at the office of Dhaka Chamber of Commerce Industry (DCCI), which the DCCI set up in cooperation with the Ministry of Industries (MoI).

MoI is currently working to establish such a centre in each district under the SME Sector Development Programme (SMESDP) funded by Asian Development Bank.

"We believe that the centre will cater to the SMEs' needs and such enterprises be more competitive in the global market," DCCI President Hossain Khaled hoped while speaking at the function.

According to the National Private Sector Survey 2003, there is about six million micro, small and medium enterprises in the country, of which only 27,000 are considered nearly ready to expand or to export, he added.

Desired productivity in SMEs are retarded for lack of innovative technology, skilled workforce and up-to-date information, he observed.

In the inaugural programme, a

BRAC Afghanistan Bank gets new MD



Saifuddin M Naser has recently been appointed the new managing director & CEO of BRAC Afghanistan Bank, says a press release.

Prior to this new assignment, Saifuddin was the head of Retail Banking of BRAC Bank Bangladesh.

Upon completion of BBA degree in Management from Assumption University in Thailand, he started his career with ANZ Grindlays Bank as a Management Trainee in 1995.

During his 12 years banking career, Saifuddin attended various training both home and abroad.

French firm keen to set up alternative energy plants

STAR BUSINESS REPORT

A French energy and power group executive yesterday said his company is considering establishing alternative energy plants in Bangladesh in order to counter the country's dependency on natural gas.

"Bangladesh should develop alternative energy plants on a larger scale to reduce dependency on the main energy resources of the country, natural gas," said Dhruv Pant, Country Director of Areva T&D.

Dhruv said Areva is looking to expand its activities in the country and has plans for alternative energy plants capable of exploiting solar or wind power. However he said the most likely source of alternative

electricity generation would be biomass powered plants which are most suitable for Bangladesh.

The plans were outlined following a series of presentations by three executives of French power companies in the luncheon meeting of the France Bangladesh Chamber of Commerce and Industry (CCIFB) at a city hotel.

Along with Dhruv, Olivier Wattez of Total E&P Bangladesh and PV Subramanyam of Total Gaz made the presentations.

President over by CCIFB President Syed Farhad Ahmed, the function was participated by French Ambassador to Bangladesh Jacques Andre Costilles as chief guest.

Responding to a question on

further exploration of the country's energy reserves, Olivier Wattez said the company was seeking government action in the opening of third round bids for the offshore region.

Subramanyam used his presentation to describe the potential market for liquefied petroleum gas and the potential to increase its use in households.

If the uses of LPG were popularised and expanded, the pressure on natural gas would be decreased and more natural gas could be used for industrial purposes, he said.

Laurent Estrade, Trade Commissioner, France Embassy in Dhaka, Rifat Rashid, director, CCIFB, also spoke on the occasion.



PHOTO: CCIFB

Syed Farhad Ahmed, president of France Bangladesh Chamber of Commerce and Industry, presides over a luncheon meeting of the organisation organised in Dhaka yesterday. French Ambassador to Bangladesh Jacques Andre Costilles attended the meet as chief guest.

FTA with US doesn't benefit developing countries

Warns Nobel laureate economist Stiglitz

ANN/THE STAR

Nobel laureate and former World Bank chief economist Joseph Stiglitz strongly criticised FTAs involving the United States, saying they have not benefited developing countries that entered into such deals.

"In fact, these countries lost a great deal, especially access to intellectual property," Stiglitz said in an interview during a recent visit to Kuala Lumpur.

"They have more difficulty accessing knowledge and particularly generic medicine. So, there are thousands of people dying in developing countries because of the trade agreements with the US."

According to Stiglitz, who was also chief economic advisor to former US president Bill Clinton, US tariffs are so low (three per cent to five per cent) that developing countries don't need an FTA to export to the United States.

"It's not about trading goods; it's about losing sovereignty. It's about America pushing for a particular agenda. It has not benefited any country. And they managed to advantage the US at the cost of the developing countries."

Stiglitz's frank comment that "overall, bilateral agreements have been a disaster for the developing countries and for the global trading system" has been reinforced by the UN Conference on Trade and Development (UNCTAD) which last week warned developing countries to think carefully before negotiating bilateral trade agreements.

UNCTAD is the United Nations' main development think-tank. Its annual Trade and Development Report (TDR) said a developing country might be tempted to conclude an FTA with a developed country as it expects better market

access for its products.

But they are often disappointed by the lack of gains due to systemic impediments (for example, reduction of agricultural subsidies is not part of the FTAs), restrictive rules of origin, and non-trade barriers.

On the other hand, the developing country has to remove its trade barriers that often results a surge in imports and a worsening trade balance with the FTA partner, and removes policy instruments needed for development, says the report.

It adds: "Thus the gains for developing countries from improved market access are far from guaranteed, whereas they have to give up a large part of the policy space they might otherwise have used to promote the creation of new productive capacities, industrial upgrading and structural change in their economies."

The report also details five non-trade areas in which FTAs with developed countries will particularly hurt developing countries.

First, in government procurement, developing countries use policies that favour local companies and people, and boost the domestic economy. However, the FTA removes this policy tool by opening the procurement business to foreigners, which results in loss of market share of local firms and of foreign exchange.

Second, liberalising services under an FTA can disrupt national plans to strengthen the domestic service sectors such as banking, telecommunications and professional services.

Third, the investor-protection rules of an FTA gives new rights to potential foreign investors, thus "drastically reducing the scope of the host country to decide whether or not to approve a foreign investment or impose conditions for

such an approval".

Moreover, measures favouring local investors have to be curbed as these are seen as discriminating against foreign investors.

"Several of the measures adopted successfully by Malaysia, for example, during the financial crisis of 1997-1999, such as temporary restrictions on outward capital transfer outflows by foreigners in Malaysia would have been prohibited," the report added.

Fourth, on intellectual property, the report criticises FTAs for reducing the possibility of developing countries to set their own policies on granting of patents, on the use of compulsory licences and on copyright.

Fifth, the competition policy part of an FTA can hinder the growth of local firms and reduce their ability to compete or survive against large foreign firms, and this can result in the end in less competition.

"Thus it would be prudent for developing countries to be cautious and not to rush into North-South bilateral or regional FTAs," concludes UNCTAD.

When assessing benefits and costs, a country should take account not only of the impact on exports, imports and foreign investment but also on the country's ability to use alternative policy options and instruments for longer-term development strategy.

In contrast to North-South FTAs, the UNCTAD report promotes regional trade and co-operation among developing countries. These have a greater chance of benefiting the countries as they are at similar levels of development, and help in their trade and industrialisation process.

UCBL okays 30pc dividend

United Commercial Bank Ltd has declared 30 percent stock dividend (bonus share) for its shareholders from the profit of 2001, says a press release.

The dividend declaration came at the 19th annual general meeting held at Hotel Sonargaon, Dhaka on Sunday with M A Kalam, director, in the chair. The bank's 15th, 16th, 17th, 18th and 19th AGMs for the year 1998 to 2002 were held on the day.

Yunus Ahmed, chairman, and Md Jahangir Alam Khan, EC chairman, were also present at the AGMs.

ইউনাইটেড কমার্শিয়াল ব্যাংক লিমিটেড

১৫তম বার্ষিক সাধারণ সভা ১৯৯৮ - ১৯ সেপ্টেম্বর ২০০৭ বরিবার সকাল ১০:০০টা
১৬তম বার্ষিক সাধারণ সভা ১৯৯৯ - ১৯ সেপ্টেম্বর ২০০৫ বরিবার সকাল ১১:০০টা
১৭তম বার্ষিক সাধারণ সভা ২০০০ - ১৯ সেপ্টেম্বর ২০০৬ বরিবার সকাল ১১:০০টা
১৮তম বার্ষিক সাধারণ সভা ২০০১ - ১৯ সেপ্টেম্বর ২০০৭ বরিবার দুপুর ১২:৩০টা
১৯তম বার্ষিক সাধারণ সভা ২০০২ - ১৯ সেপ্টেম্বর ২০০৮ বরিবার দুপুর ১২:৩০টা

ঠান্ডা: পান্তি প্রায়াসিক সোনারোগ হোটেল, ঢাকা

UCB
UNITED COMMERCIAL BANK LTD

PHOTO: UCBL

The 15th, 16th, 17th, 18th and 19th annual general meetings (AGMs) of United Commercial Bank Ltd (UCBL) were held in Dhaka on Sunday.