

Ministries give inaccurate info on ADP implementation

Says finance adviser

UNB, Dhaka

Finance Adviser Dr Mirza Azizul Islam yesterday said ministries concerned, in some cases, provide inaccurate information on implementation of annual development projects (ADP) in an effort to show their better performance.

A project reported 65 percent implementation last year, but IMED (Implementation Monitoring and Evaluation Division) of planning ministry found only 5-6 percent after examining the necessary accounts," he said.

Dr Aziz came up with the sorry-state of the reporting system at a seminar here and stressed the need for 'timely and honest' information on project implementation.

He was responding to a recommendation of (past) performance-based allocation at the seminar on 'IMED Strategic Plan', a project undertaken to strengthen result-based monitoring and evaluation,

at a city hotel.

Country Director of the Asian Development Bank (ADB) Hua Du, among others, addressed the seminar with IMED Secretary Sk AK Motahar Hossain in the chair.

The IMED undertook in July last year a two-year project worth Tk 7 crore, including an ADB technical assistance equivalent to Tk 5 crore, to develop a strategic plan of monitoring and evaluation.

It has so far formulated a draft plan recommending result-based allocation of resources.

"It's crucial to allocate fund first efficiently and then use it efficiently," Aziz said, adding that the government is determined to ensure better transparency and accountability in public expenditure.

He said getting timely and honest information on development projects is an absolute imperative to ensure transparency and accountability of the public fund. "We've made some progress in this

area but lot more needs to be done," he said.

A senior official at the IMED told the news agency that they found that the project spent only 5-6 percent of the total project cost although they got released 65 percent of the ADP allocation.

There is a practice in implementation of development projects that the ministries have the funds released before the end of the fiscal year, but they implement the projects even beyond that fiscal year, the finance adviser said. "Past performance cannot be the only indicator of resource allocation," he added.

He said, for instance, there is a need for giving more resources to some areas like health sector despite their poor performance in the past. The government could not provide adequate physicians after developing health infrastructure that resulted in deterioration of the health indicators.

Dr Aziz stressed the need for

more data collection, clearly defined performance indicators and looking at the problem of particular project whether it (problem) was caused by external or internal reasons, and communicating the results with the beneficiaries, policymakers and the implementing agencies.

Hua Du said the project of strategic plan has made a good start, but it is necessary to push the whole thing forward through inter-agency coordinated efforts.

She also underlined the need for not concluding the efforts immediately after the ADB support to the project ends and suggested taking it as a government document.

Hua Du also urged other donors to come forward with their support to the project to accomplish the objective of ensuring proper monitoring and evaluation of development projects of Bangladesh as well as ensure transparency and accountability of public expenditure.

Prime Finance gets new MD



Md Akter H. Sannamat has been appointed the managing director of Prime Finance & Investment Limited, says a press release.

Prior to the appointment, he was the deputy managing director of the company.

Sannamat joined Prime Finance in 1997 as assistant vice president. In 1998, he was promoted to the position of vice president and secretary to the board.

A chartered accountant, Sannamat started his career in 1993 as group auditor with Excelsior Group.

Risks to global economy growing: G7 finance chiefs

AFP, Tokyo

Top world finance ministers warned Saturday that the global economy faces growing threats from a US housing slump and credit crunch, urging banks to come clean on their subprime loan losses.

The finance chiefs from the Group of Seven industrialised nations said their economies were set to lose steam in the near future but remained fundamentally solid.

"In all our economies, to varying degrees, growth is expected to slow somewhat in the short-term, reflecting wider global economic and financial developments," said a statement issued after talks in Tokyo.

The US economy faces growing risks with the potential for a further deterioration in the housing sector, according to the draft.

"In the United States, output and employment growth have slowed considerably and risks have become more skewed to the downside," said the G7, which groups Britain, Canada, France, Germany, Italy, Japan and the United States.

The ministers warned that

global growth may be curbed by a further deterioration of the US housing market, tighter credit, high oil and commodity prices and growing inflationary pressures.

A US housing slump, led by rising mortgage defaults among "subprime" or high-risk customers, has triggered a credit crunch that has wreaked havoc on world markets in recent months.

The finance ministers urged "prompt and full disclosure by financial institutions of their losses" from the US subprime crisis.

Banks, particularly in the United States and Europe, have suffered heavy losses from their exposure to securities backed by troubled US mortgages.

The G7 finance ministers "stand ready to take any further action necessary to enhance stability in the financial market," the statement said.

Japanese Finance Minister Fukushima Nukaga said the meeting was significant in light of the turmoil on financial markets.

"I think that G7 member countries shared the same views and presented to the world an impor-

tant message for global stability," Nukaga told reporters.

But the statement made no mention of coordinated remedial action to try to bolster their economies or stock markets.

The US government has prepared a 150-billion-dollar package to stimulate its flagging economy, while the Federal Reserve has slashed interest rates several times since last September.

But analysts say other G7 members have more limited room for measures to stimulate demand, particularly Japan, the world's second-largest economy, which has huge national debts and interest rates of just 0.5 percent.

The statement renewed a call on China to allow faster appreciation of its currency, the yuan, to try to ease trade imbalances with the rapidly growing Asian nation.

They also reiterated that foreign exchange rates should reflect fundamentals and that excess volatility is undesirable, but made no mention of the weakness of the dollar despite European concerns.

The G7 ministers also urged world oil producers to boost their output to rein in soaring crude prices.

Tech support to women entrepreneurs stressed

OUR CORRESPONDENT, Ctg

Speakers at a function yesterday stressed the need for providing technical support for women entrepreneurs to help them contribute more to the national economy.

The speakers were addressing the certificate giving ceremony of a training programme under Small and Medium Enterprise Sector Development Project jointly organised by industries ministry and Chittagong Women Chamber of Commerce and Industries (CWCCI) in the port city.

A total of 150 female entrepreneurs participated in the training courses on different categories.

The categories of the courses included jewellery, leather products, export marketing and financial management.

Chittagong Divisional Commissioner Hossain Jamil was the chief guest at the function with CWCCI President Monowara Hakim Alin in the chair.

President of Bangladesh Federation of Women Entrepreneurs Rokia A Rahman was the special guest at the ceremony.

Hossain Jamil urged the women entrepreneurs to work hard to prove their creativity.

"Women are, by nature, sincere and so they can show better performance in productivity related to research and hard work," the divisional commissioner observed.

He stressed the importance of acquiring proper knowledge and training to compete in the present knowledge-based business world that is completely dependent on information technology.

Rokia A Rahman hoped the training courses would help the promising women entrepreneurs in developing their products and marketing those.

She also urged the trainees to apply the knowledge they have gathered from the training courses in their business.

WTO upholds US complaint over EU banana imports

AFP, Geneva

The World Trade Organisation has ruled in favour of a complaint by the United States against the European Union's banana import regime, US trade officials said on Friday.

"We can confirm that the United States prevailed in its challenge," the official said on condition of anonymity.

The EU has levied import duties of 176 euros (255 dollars) a tonne on banana imports from Latin America since January 2006.

In contrast, developing countries in the African Caribbean and Pacific (ACP) group, which include many former European colonies, can import up to 775,000 tonnes of duty-free bananas under a separate quota system.

The WTO's Dispute Settlement Body had already ruled against the EU regime last November in a similar case brought by Ecuador.

Latin America accounts for four-fifths of EU banana imports, with ACP countries making up the rest.



Visitors gather at a stall of a mobile phone operator at the three-day 'Corporate Bazaar-2008', an exhibition of corporate houses that began at Bangladesh-China Friendship Conference Centre in Dhaka yesterday.

Corporate Bazaar kicks off

STAR BUSINESS REPORT

A three-day exhibition of corporate houses began at Bangladesh-China Friendship Conference Centre in Dhaka yesterday in a bid to improve corporate culture and professionalism in the country.

The third version of the show styled 'Corporate Bazaar-2008' has also created a platform to provide corporate solutions for local and multinational business houses.

"Practising professionalism is a must for improving the economy of a country like Bangladesh with a huge population," said Syed Farukh Ahmed, managing director of aamra networks, at the opening ceremony.

This year thirty-three corporate houses including the country's

leading mobile and land phone companies, banks, a hospital, office equipment manufacturers and distributors, and an electronics firm are taking part in the exhibition to showcase their corporate products and services.

However, the number of participants was 49 last year.

On the sidelines of the show, three seminars will be organised on information and communication technology, increasing revenue from RMG sector, and branding.

Businesspeople and students of business have free access to the fair, which will remain open from 10am to 8pm for corporate visitors and business students.

ceremony. aamra networks, formerly known as Texas Groups and Global Online Services, is the organiser of the show and is engaged in textile, ICT and lifestyle business.

Syed Farukh Ahmed, chairman of the company, inaugurated the event, while Russell T Ahmed, convener of the executive committee of the fair, was also present.

The objectives of the exhibition are to create more job opportunities through outsourcing business in local IT sector and encourage new entrepreneurs, said Farukh Ahmed.

This year thirty-three corporate houses including the country's



Citycell CEO Michael Seymour and other senior officials are seen yesterday at a function in Dhaka where the company announced the launch of a new recharge system for pre-paid customers.

Air Canada cites interest by equity investors

AFP, Montreal

Private equity players and pension funds have approached Air Canada's parent ACE Aviation Holdings touting a possible buy of Canada's top airline, ACE chief executive Robert Milton said Friday.

However, he refused to identify the potential bidders for ACE's 75 percent stake in Air Canada, which ACE is looking to divest.

"We've now been approached by private equity, by pension funds," CEO Robert Milton said during a conference call on ACE's year-end results.

Milton noted a wave of consolidation in the US airline industry, adding, "I don't think it's inconceivable that Air Canada could be part of it."

Following his comments, Air Canada stocks gained three per-

cent in Toronto on Friday, after climbing 18 percent the previous day on solid fourth-quarter earnings results.

In the United States, Delta Air Lines and Northwest Airlines were discussing merger, according to reports. Meanwhile, United Airlines and Continental Airlines are in early merger talks.

"In my view, as I watch the US airlines scurrying around to merge, anybody that actually ties up with Air Canada gets a unique piece of geography relative to the way the US guys would split it up," Milton said.

Canada's investment rules, however, allow a maximum of 25 percent foreign ownership in its airlines. So US airlines would need to partner with a Canadian investor to buy Air Canada.

"I think that there's plenty of money in Canada," Milton added.

Unilever Bangladesh bags int'l awards

Unilever Bangladesh Ltd has received two of the multinational company's international awards in Asia-AMET (Africa Middle East Turkey) region, says a press release.

The Bangladesh chapter of the fast moving consumer goods company won 'AA Vitality Awards 2007' in 'Win Key Markets' and 'Win With Customers' categories from among the operating companies in the region.

Rakesh Mohan, chairman and managing director of Unilever Bangladesh, received the awards on behalf of the company from Harish Manwani, president of Unilever Asia-AMET region, at a function in Singapore recently.

Chairmen of the operating companies in the region and other senior officials attended the ceremony.

The AA Vitality Awards recognise the outstanding work that has been done in Unilever Bangladesh over the last few years. This is the second consecutive win for Unilever Bangladesh in these categories.

Citycell launches new recharge system today

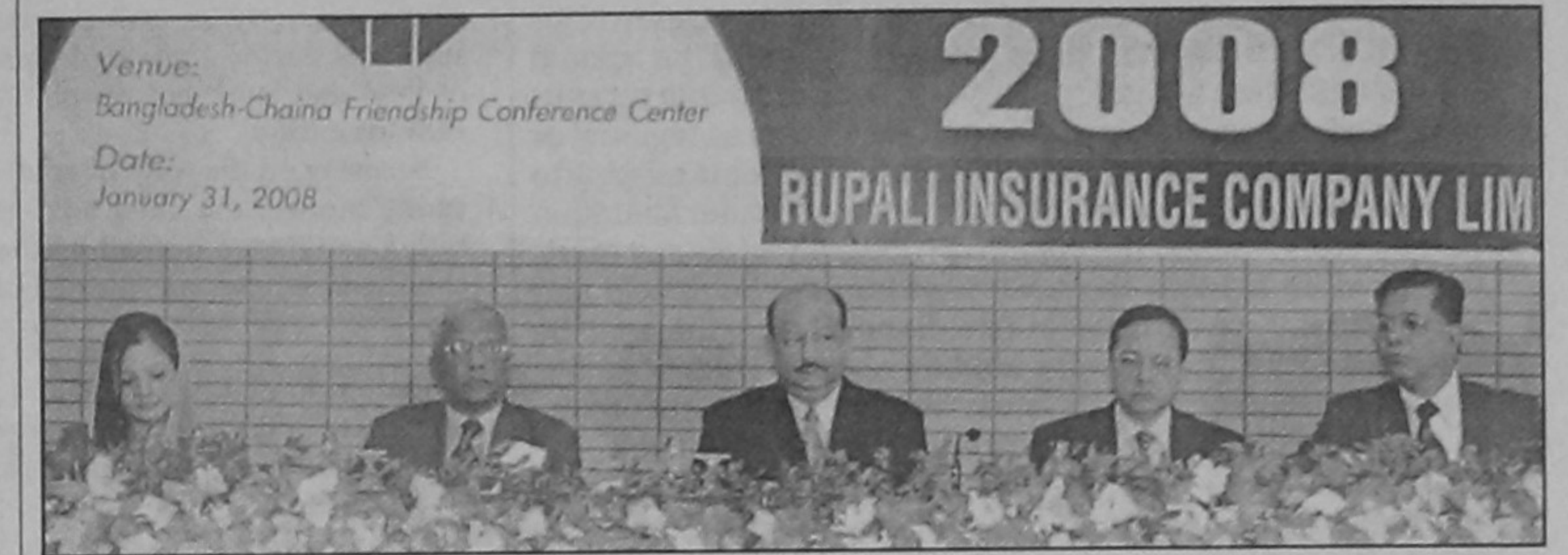
Mobile phone operator Citycell launches today a new recharge system called 'e top-up' for its pre-paid subscribers, says a press release.

"E top-up" is an instant recharge system through which Citycell customers can electronically and easily recharge their pre-paid accounts without using any scratch card, a company statement said yesterday.

With this facility, customers can recharge any amount from Tk 10 to Tk 5,000. No extra fee will be charged for this recharge.

Initially, more than 900 designated outlets will be providing with the 'e top-up' recharge facility all over the country.

Citycell CEO Michael Seymour said, "This is yet another step in fulfilling our promise to customers to be the best mobile service provider in the country."



The 'Annual Conference-2008' of Rupali Insurance Company Ltd was held recently in Dhaka. Chairman of the company Mostafa Golam Quddus presided over the conference.

Wall St tumbles as economic stimulus gets OK

AFP, New York

US stock markets tumbled heavily in the week to Friday, giving Wall Street a fresh battering, despite Congress granting a green light to a giant economic stimulus package sought by the White House.

The plan, worth around 150 billion dollars, is stuffed with temporary tax rebates and business incentives designed to give the economy a boost, but some analysts say the world's biggest economy is already in recession.

In the week to Friday, the benchmark blue-chip Dow Jones Industrial Average fell a hefty 4.40 percent to close at 12,182.13. The leading index is down over eight percent for the year to date.

The tech-laden Nasdaq composite lost 4.50 percent to 2,304.85 while the broad market Standard Poor's 500 index dropped 4.60 percent to 1,331.29.

All three stock barometers have ceded significant ground since last August amid an ongoing housing slump and a related credit crunch,

which have bruised the earnings of major banks and financial firms.

Debate continues to rage over whether the US economy is in recession or not. Some analysts believe the economy is in recession, while others argue that growth is still positive and some economists remain sitting on the fence.

Growth is being threatened by the housing downturn, the credit crunch, and concerns about the job market and consumer spending.

Although Wall Street appeared to give a cautious welcome to the stimulus plan, which White House officials said President George W. Bush would sign into law in the coming week, some economists say it will give growth a needed boost.

"This fiscal stimulus package meets the key criteria of being temporary, quick and cost-effective. Therefore, it has the basic ingredients necessary to give the economy a shot-in-the-arm in the second half of 2008, and provide a safety net against a more

serious downturn in the economy," said Brian Bethune, an economist at Global Insight.

Government officials have said tax rebate checks, ranging from a couple of hundred dollars to over 1,000 dollars depending on family size and earnings, could be in the mail by May.

The Bush administration hopes that Americans receiving the rebate checks will spend the cash and fire up consumer spending, a key economic motor.

"The economy continues to lose momentum and the risk of a recession is high. While the weak data is worrisome, we believe the economy should skirt a recession due to monetary and fiscal stimulus," Ethan Harris, an economist at Lehman Brothers, said in a briefing note.

The Federal Reserve has slashed US interest rates since September in a bid to shore up economic momentum, which slowed dramatically to a 0.6 percent, annualized crawl in the fourth quarter.

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Air Canada cites interest by equity investors

AFP, Montreal

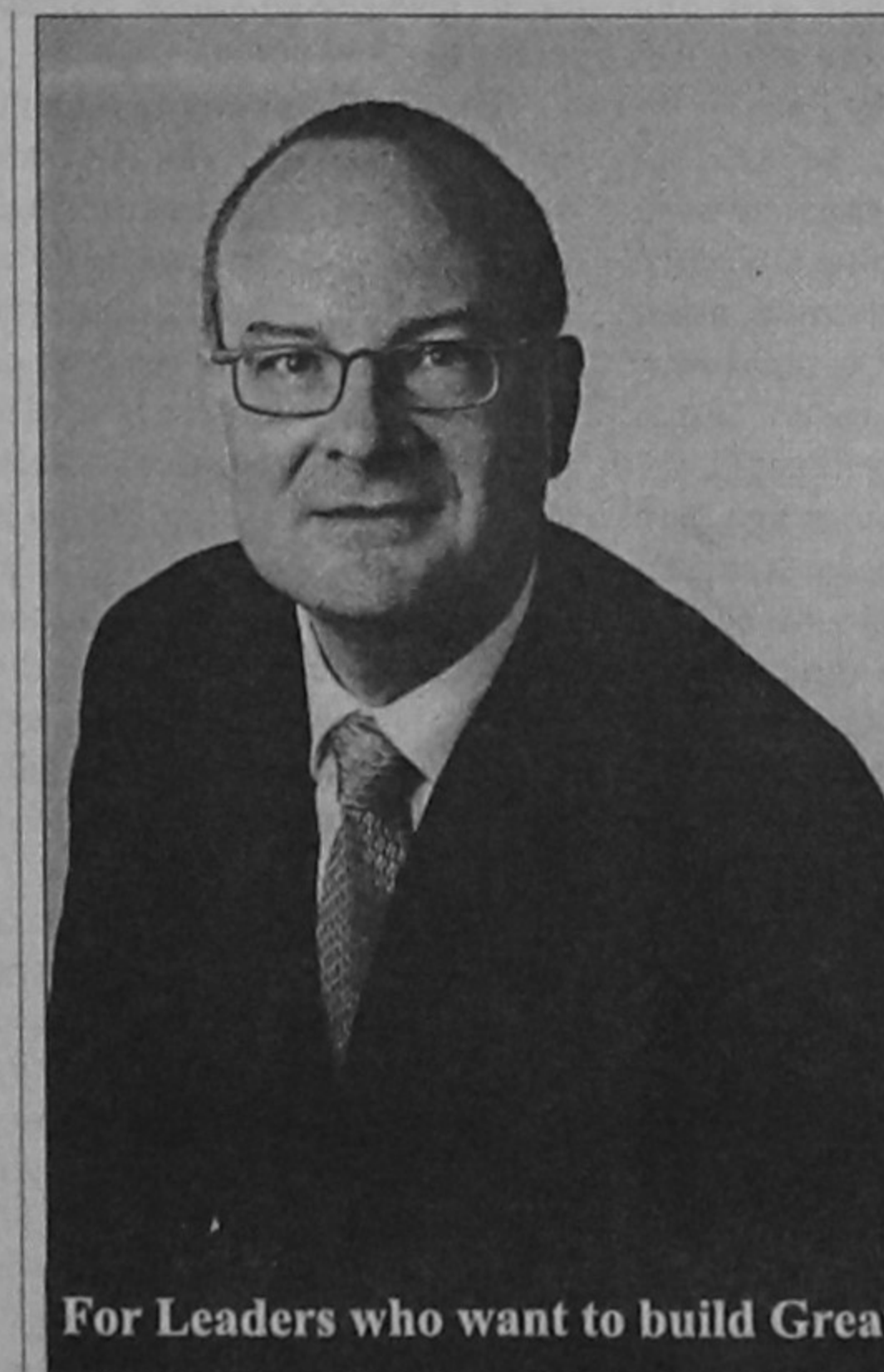
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◀ Martin Roll
Global Business and Brand Strategist
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