

# Budget implementation hinges on political stability, says FBCCI

STAR BUSINESS REPORT

Termining the proposed budget for 2008-09 fiscal as populist, the country's apex trade body FBCCI yesterday said its successful implementation is highly dependent on peaceful political situation.

Annisul Huq, president of Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), said the government may announce a budget of billions of taka, but in the presence of political impasse this has no usage.

Proposing popular budgetary measures in the context of an unstable political scenario would fail to attract local and foreign investment, said Huq while speaking at a press conference in Dhaka.

Finance and Planning

Adviser Mirza Azizul Islam proposed a budget of Tk 99,962 crore with a deficit of Tk 30,000 crore for 2008-09 fiscal on Monday.

"I hope the proposed budget will be implemented by the next elected government as the political impasse is likely to be over soon paving the way to a credible general election," Huq said.

However, there is a risk of liquidity crisis and higher interest rates on bank loans as the government starts to borrow from banks to fill in the budgetary deficits, he said, adding that the government proposes to borrow Tk13,000 crore from the banking sector to meet the deficit, he said.

"Through its borrowing from the banking sector, government will cause cash con-

strain in the banking system, resulting in higher interest rates on bank loans. As a result, investment will be hampered and the rate of unemployment will rise," Huq said.

The FBCCI chief urged the government to provide the untaxed money holders an opportunity to invest their untaxed money in mainstream economic activities by way of setting up new factories.

He said at present the total amount of untaxed money in the country amounts to 30 percent of GDP.

However, the proposed budget is business and industry friendly as the government has proposed to reduce duty on import of both capital machinery and industrial raw materials.

The finance adviser on his budget speech proposed to

reduce duty on the import of capital machinery and spare parts from 5 percent to 3 percent and reduction of duty on basic raw materials from 10 percent to 7 percent.

He also proposed to reduce duty on intermediate raw materials from 15 percent to 12 percent, but the duty on finished products is to remain at its highest slab of 25 percent.

Huq urged the government to withdraw 1 percent indemnity duty on import of capital machinery and spare parts.

Finance Adviser proposed for a 1 percent indemnity duty on import of machinery and spare parts for textile industries.

At a meeting with Annisul Huq yesterday, Finance Adviser assured him of possible changes of the proposed budget.

## Harvard confce on Bangladesh begins today

Harvard University conference on Bangladesh in the 21st Century begins today, says a press release.

The conference is being organized by Bangladesh Development Initiative (BDI), Democracy and Development in Bangladesh Forum (DDBF), Boston, Massachusetts and The Ash Institute for Democratic Governance & Innovation, John F. Kennedy School of Government, Harvard University.

The conference has been supported by Citibank, N.A. Bangladesh, Prime Bank Limited, MGH Group Bangladesh and American Institute of Bangladesh Studies.

The two-day conference being held at the John F. Kennedy School of Government, Harvard University, will discuss pertinent economic, social and political challenges facing Bangladesh in the 21st century.

The keynote speaker of this conference will be Dr. Jamilur R. Choudhury, vice chancellor of BRAC University, Dhaka. Other distinguished speakers at the conference are Dr. Rounaq Jahan from Columbia University, Matiur Rahman, editor of the Daily Prothom Alo and Masihur Rahman, former secretary to the government. Mamun Rashid, managing director and Citi country officer, Bangladesh, will also speak.

## MARKET ACCESS NEGOTIATIONS Dhaka to make new product list in a month

UNB, Dhaka

A high-powered meeting on WTO issues yesterday decided to prepare a product list of the country's interest within a month for duty-free and quota-free market access negotiations.

The negotiation will be under the resolution of WTO Hong Kong Ministerial when developed countries agreed to allow 97 percent of the LDC products in their markets duty-free.

The meeting at the commerce ministry, with Commerce Adviser Dr. Hossain Zillur Rahman in the chair, also decided to prepare another list of products for negotiation with the willing developing countries like India, Brazil and China to offer LDCs duty-free market access as per the WTO agreement.

"The decision is to support Bangladesh Mission in Geneva," the adviser told reporters after the 6th meeting of the high-powered committee on WTO issues.

Bangladesh Foreign Trade Institute (BFTI) in association with civil society think-tank Centre for Policy Dialogue (CPD) will prepare the list for 97 percent products, while Export Promotion Bureau (EPB) will prepare the list for developing countries.

The decisions were taken to provide negotiation inputs to Bangladesh Mission in Geneva as they sought strategy paper from the government following WTO group chairmen on NAMA, Agriculture and Services circulated their revised modalities for negotiation in May this year.

The product lists will be forwarded to Geneva Mission after reviewing those at another meeting of the committee next month.

The meeting decided to form two small groups of experts on agriculture and services issues to prepare vision papers with long-term perspectives considering the changing economic situation and the impact of WTO issues.

## Women display vegetable, rice seeds tomorrow at Bogra fair

STAR BUSINESS REPORT

In a move to tap the potential of the seed industry, some 400 women are set to display their produced vegetables and rice seeds at a two-day fair in Bogra tomorrow, according to a press briefing.

"It is going to be a big boost to women seed growers who will present quality seeds at the first ever fair," said Anika Ali, operations analyst of International Finance Corporation-South Asia Enterprise Development Facility (IFC-SEDF), yesterday.

The Rural Development Academy (RDA), IFC-SEDF and the Seed Wing of the Ministry of Agriculture will jointly organize the fair and it will take place in the RDA premises.

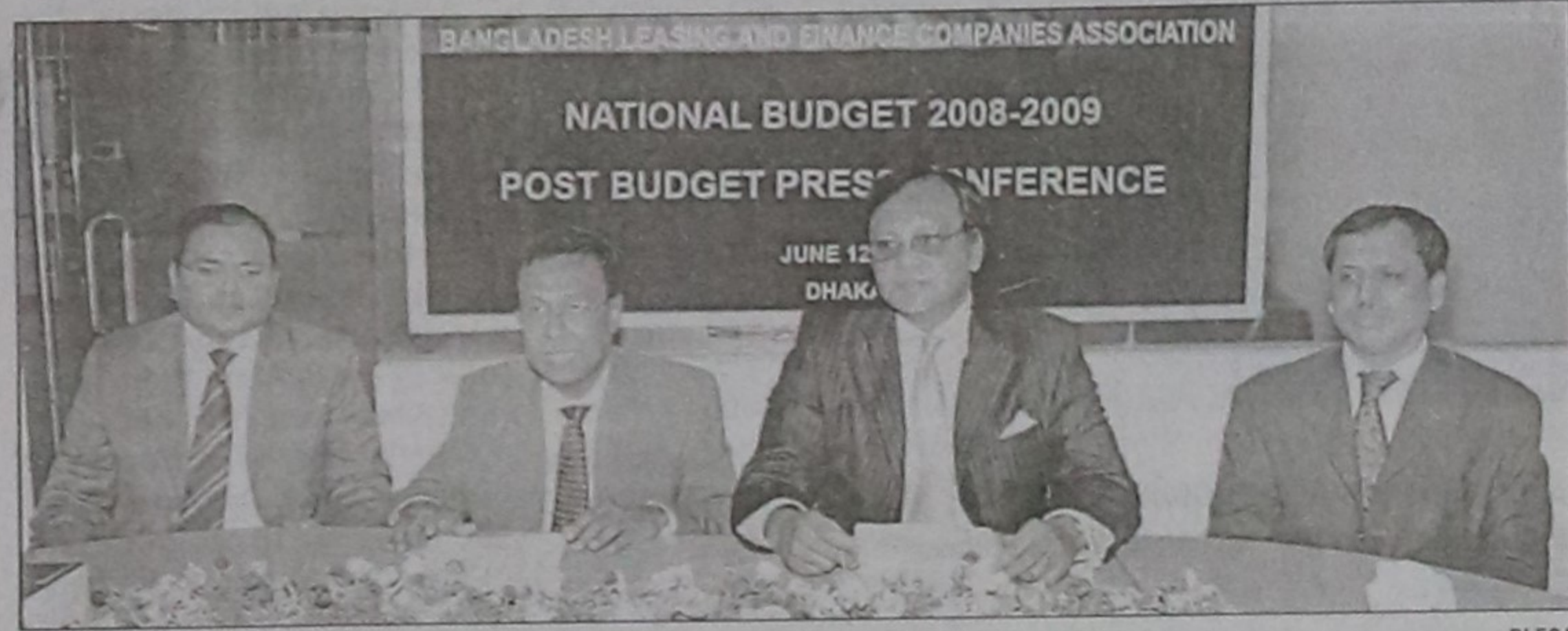
Women in the northern part of the country have started producing vegetable and rice seeds on large scale since last year.

Experts said the entry of women in the seed growing business could help the country reduce its huge dependence on the import of seeds to meet the annual demand for seeds.

At present more than 100 private companies are involved in the seed business and most of them are marketing imported vegetable and rice seeds due to a lack of local production.

According to the Seed Wing of the Ministry of Agriculture, the local supply of seeds met about 13 percent of the overall yearly demand of seeds, at 9.32 metric tonnes. The market size of the various types of these seeds stood at \$436 million, the data showed.

It reflects the huge opportunity for the expansion of local seed production, she said.



Bangladesh Leasing and Finance Companies Association (BLFCA) organised a press conference on 'National Budget 2008-2009' in Dhaka yesterday. Chairman of the association Anis A Khan, Vice Chairman Mafizuddin Sarker and members of the executive committee Syed Ehsan Quadir and SM Shamsul Arefin are seen at the press meet.

## Leasing firms demand continuation of tax exemption on bonds

STAR BUSINESS REPORT

Bangladesh Leasing and Finance Companies Association (BLFCA) yesterday demanded continuation of the tax exemption on interest income earned on zero coupon bonds.

The association made the plea at a press conference held at the IDLC Finance Ltd's headquarters following a draft Statutory Regulatory Order (SRO) by the National Board of Revenue's website that ordered withdrawal of the tax exemption.

"A sudden halt in the tax exemption on interest income accrued from zero coupon bonds will certainly affect the term loans provided by leasing companies," Anis A. Khan, managing director and CEO of IDLC Finance Ltd. told reporters.

Non-banking financial institutions issued zero coupon bonds for the first time in February 2005. At present some 15 leasing companies have issued Tk 2,000 crore zero coupon bonds, according to the industry.

Zero coupon bonds are bonds that do not pay interest during the life of the bonds. Instead, investors buy these lower than their face value, which is the amount a bond will be worth when it matures. When a zero coupon bond matures, the investor will receive one lump sum amount.

Leasing companies said they have to compete with the banks and pay the same tax rate at 45 percent, but their business is restricted, such as they cannot take deposits for less than six months.

"Zero coupon bonds helps us to raise the money required for investment, compensates us to some extent and allows us to compete with the banks," said Khan, who is also the chairman of BLFCA.

Mafizuddin Sarker, managing director of Lanka Bangla Finance said the government's move to withdraw the tax exemption would impede the development of the bond market in the country.

## Waive int'l travel tax for travellers on local carriers

### Local airlines ask govt

UNB, Dhaka

Local airlines yesterday demanded duty waiver on an import of aircraft, spares and ancillary items, reduction of duty and VAT on jet fuel and withdrawal of international travel tax for travelers on local carriers to boost local airline.

They made the plea in a meeting with Mahubul Jamil, special assistant to the chief adviser, at the youth and sports ministry.

High officials from all five local airlines--Biman Bangladesh Airlines Limited, GMG Airlines, Best Air, United Airways and Aviana Airways--were present at the meeting. Civil Aviation and Tourism secretary Syed Mohammad Zobaer was also present.

The local airlines informed the special assistant that the aviation industry in Bangladesh is passing through a crucial state due to astronomical price of jet fuel.

"Jet-fuel prices in Bangladesh are 10-25 percent higher compared to Malaysia, Thailand, and the Middle East.

Bangladeshi airlines are competing with major airlines of these major regions. This puts all Bangladeshi airlines at a great cost disadvantage," the coalition of air-service operators said in a letter to the special assistant.

In the letter the local airlines said that the only way the Bangladeshi airlines can survive is to be able to buy the jet fuel at an international price level, and that is possible by the government with a little reduction in VAT, taxes and the profit margins on the jet fuel.

As per official data, government cost for import of jet fuel is Tk 70-72 per litre. But the government increased the jet-fuel price from Tk 75 to Tk 95 per litre on June 3.

The import of aircraft, spares and ancillary items had been zero-rated till the 2006-07 fiscal year.

In the 2007-08 budget, the government imposed 10 percent import duty on these items. But in the next fiscal budget the Finance Adviser has proposed it down at 3 percent.



Dhaka Stock Exchange (DSE) Chief Executive Officer Dr Salahuddin Ahmed Khan speaks at a post-budget press briefing in the capital yesterday.

**World Health Organization**  
Country Office For Bangladesh

House No. 12, Road No. 7, Dhanmondi R/A, Dhaka 1205, Bangladesh. Web site : www.whoban.org  
Tel.: (880-2) 861 4653-5, 861 6097-98 Fax: (880-2) 8613247 E-Mail: registryban@searo.who.int

Vacancy Notice No. SO-8/B Duty Station : Dhaka  
Date of issue : 12 June 2008 Closing date : 13 July 2008

### VACANCY ANNOUNCEMENT

WHO, Country Office for Bangladesh invites application from the eligible candidates for the post of National Professional Officer (Water Sanitation, Health and Environment) for two years (post of limited duration) at NO. C level.

**Description of duties:**  
Under the broad guidance of the WHO Representative and in close coordination, Technical guidance and operational supervision of the Scientist (Environmental Health Advisor, Environmental Health Unit and in close coordination with national authorities, UN agencies donor agencies, academic and research institutions, other partner and stakeholder for implementing the WHO supported projects/programs the incumbent will: 1. Identify national priorities concerning Health and Environment and recommends feasible plans and strategies under the aegis of Environmental Health Unit (EHU). 2. Contribute to the preparation of work plans for Public Health and Environment (PHE) and Food Safety (FOS) as per WHO-SEARO guidelines and in consultation with concerned Program Managers and with partner government agencies, autonomous agencies, non-governmental organizations, etc. 3. Implement WHO approved project/biennial program activities, and monitor and facilitate the work of Consultants, Field Coordinators and Field Assistants of WHO Environmental Health Unit and advise them on social, economic, technical and strategic aspects of various Research and Development activities; 4. Contribute to capacity building and promotion of innovative activities in Water Supply, Sanitation, Hygiene, Food Safety, Chemical Safety, Radiation Safety, Occupational and Environmental Health sectors, replicating Healthy Settings Program and advancing Health and Environment initiatives, assist the government in planning, organization and delivery of seminars, workshops, conferences, and different training activities in conformity with the WHO regional global policy; 5. Promote the role of WHO in capacity building of the government/semi-government/autonomous/local government agencies and facilitate WHO fellowship program in an effective manner; 6. Prepare proposals with specific attention to implementing appropriate technologies for safe water supply, improved sanitation and hygiene promotion, health risk assessment, water safety plans, water quality surveillance, food, chemical and radiation safety, and solid waste management; 7. Strengthen networking with the partner agencies in PHE and FOS sectors and promote an integrated approach to problem identification and effective interventions; 8. Assist in developing Terms of Reference of Short-term Professionals/Consultant/and other contractors and maintain liaison with selected agencies to review and help finalize their output; 9. Maintain and update website information in the area of specialization; and 10. Perform any other duties as assigned.

**Competencies:** 1. Creating an empowering and motivating environment; 2. Ensuring the effective use of resources; 3. Fostering integration and teamwork; 4. Communicating in a credible and effective way; 5. Promoting innovation and organizational learning.

**Functional Skills and Knowledge:** High level of technical skills and knowledge in environmental health-related issues; and the ability to design, plan, implement, monitor, and evaluate environmental health programs and projects.

**Education - Essential:** University degree in civil engineering or environmental science. **Desirable:** Masters in either civil or environmental engineering or environmental science.

**Experience - Essential:** Minimum of five years national experience in project design, implementation and evaluation, research and training, monitoring and supervision in the relevant areas. **Desirable:** Two years or more of international experience; experience of working in an international organization, preferably the UN system; and a track record of developing policy documents, strategies and technical guidelines.

**Languages:** Excellent knowledge of spoken and written English and working knowledge of Bengali.

**Other Skills:** Proven skills in preparation of workplans, report writing and making multimedia presentation. Proficient (e.g. IT) in computer operations using different software package, e.g. MS-Word, Excel, Power Point, Outlook, SPSS, Windows and Acrobat Reader.

**CURRENT ANNUAL SALARY** (net of tax): Taka 2,250,709 per annum plus application allowances. **APPLICATIONS SHOULD BE TRANSMITTED IN TWO COPIES QUOTING VACANCY NOTICE NUMBER.**

For details of the above vacancy announcement, please visit our Web site at: www.whoban.org or collect information sheet from the Reception Desk of the World Health Organization, House # 12, Road # 7, Dhanmondi R/A, Dhaka -1205.

WHO has a smoke-free environment and does not recruit smokers or other tobacco users.

**Government of the people's of Bangladesh**  
Bangladesh Road Transport Authority  
Old Airport Road, Allenbury, Tejgaon, Dhaka-1215.  
Website: http://www.brta.gov.bd

### Invitation for Tenders

**GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH**

|   |                           |   |
|---|---------------------------|---|
| 1 | Ministry/Division         | Ministry of Communication                     |
| 2 | Agency                    | Bangladesh Road Transport Authority (BRTA)    |
| 3 | Procuring Entity Name     | Chairman, Bangladesh Road Transport Authority |
| 4 | Procuring Entity District | Dhaka   |
| 5 | Invitation for            | Supply of 1(One) Car.                         |
| 6 | Invitation Ref No         | BRTA/7A/2004(Part-1)-                         |
| 7 | Date                      | 11-06-08                                      |

**KEY INFORMATION**

|   |                    |                             |
|---|--------------------|-----------------------------|
| 8 | Procurement Method | Open Tendering Method (OTM) |
|---|--------------------|-----------------------------|

**FUNDING INFORMATION**

|    |                                      |                |
|----|--------------------------------------|----------------|
| 9  | Budget and Source of Funds           | GOB FUNDS      |
| 10 | Development Partners (if applicable) | NOT APPLICABLE |

**PARTICULAR INFORMATION**

|    |  |   |
|----|--|---|
| 11 | Tender Last Selling Date                           | Date: 23-06-2008 up to 04:00 pm   |
| 12 | Tender Closing Date and Time                       | Date: 24-06-2008 Time: 12:00 hrs.   |
| 13 | Tender Opening Date and Time                       | Date: 24-06-2008 Time: 13:00 hours  |
| 14 | Name & Address of the office(s)                    | Address: BRTA HQ(Accounts Section), Allenbury, Tejgaon, Dhaka-1215            |
| 15 | - Receiving Tender Document                        | Accounts Officer, Room# 110, BRTA HQ Allenbury, Tejgaon, Dhaka-1215           |
| 16 | - Opening Tender Document                          | Chamber of Director (Admn), Room# 109, BRTA HQ Allenbury, Tejgaon, Dhaka-1215 |
| 17 | Place/ Date/ Time of pre-tender meeting (Optional) | No pre-Tendering meeting will be held.  |

**INFORMATION FOR TENDERER**

|    |                                       |   |
|----|---------------------------------------|---|
| 18 | Eligibility of Tenderer               | Bonafide vehicle Supplier /Importer /Manufacturer/ Authorized dealer having the capacity of supplying the minimum supply value of goods a single contract in the last 5 years should be Tk. 25(Twenty five) Lacs. |
| 19 | Brief Description of Goods or Works   | Procurement of 1(One) no. Car.  |
| 20 | Brief description of related services | 5(Five) seated, CNG driven, 4(Four) doors, 4(Four) wheels, 4(Four) Cylinder in line, Right Hand Drive 1250-1300 C.C. Brand new latest car.  |
| 21 | Price of Tender Document (Tk)         | Non-refundable Tk. 2000.00 (Two thousand) only to be paid through treasury challan in Bangladesh Bank to the account code no- 1/5043/0000/2366  |

| Lot No. | Identification of lot            | Location                                 | Tender Security Amount (Tk)           | Completion Time in Weeks/months |
|---------|----------------------------------|--|---------------------------------------|---------------------------------|
| 28      | 1 Procurement of 1(One) no. Car. | BRTA HQ, Allenbury, Tejgaon, Dhaka-1215. | 25,000.00 (Twenty Five Thousand) only | 3 (Three) days                  |

**PROCURING ENTITY DETAILS**

|    |   |  |
|----|---|--|
| 29 | Name of Official Inviting Tender  | Nowsher Ahmed Chowdhury                  |
| 30 | Designation of Official Inviting Tender                                 | Director (Administration)                |
| 31 | Address of Official Inviting Tender                                     | BRTA H.Q. Allenbury, Tejgaon, Dhaka-1215 |
| 32 | Contact details of Official Inviting Tender                             | Phone# 9113133 Fax# 9116163              |
| 33 | The procuring entity reserves the right to accept or reject all tenders |  |

(Nowsher Ahmed Chowdhury)  
Director (Administration)

GD-2822