

NBR plans merger of VAT and Income Tax units



NBR Chairman Mohammad Abdul Majid speaks at the luncheon meeting of French-Bangladesh Chamber of Commerce and Industry in Dhaka yesterday.

STAR BUSINESS REPORT

National Board of Revenue (NBR) is planning to merge the VAT (Value Added Tax) unit and Income Tax unit of NBR to ease revenue collection procedures, said its chairman Mohammad Abdul Majid yesterday.

It also plans to form a consultation committee comprising of members from both the public and private sector to solicit essential fiscal measure support, he said.

The committee members, retired officials of NBR and different ministries and members of the private sector will

give recommendations to the government for pragmatic fiscal measures, the NBR chief said at the luncheon meeting of French-Bangladesh Chamber of Commerce and Industry in Dhaka.

"Sometimes the public sector cannot comprehend the real situation of the private sector, so the committee will be able to make appropriate decisions," said Majid, who was the guest speaker at the function.

It will be possible to take congenial fiscal measures favourable to the private sector, if the decisions are taken in

consultation with the committee, he said. However, the formation of such a committee is still being thought over and no practical measures have yet been taken in this regard.

Speaking at the function, First Counselor of French Embassy in Dhaka Patrick Branco lauded the NBR for its success in revenue collection in the previous fiscal year. In 2007-08, the NBR exceeded the revenue target.

While Branco wanted to know the secret behind achieving success in revenue collection, the NBR chairman said it was the sincerity of the NBR

officials, government anti-corruption drive, good governance and consciousness of people that helped achieve success.

He however, told the function that presently 2.4 million people in the country have TIN numbers while 20 million people are actually eligible.

He also said the government's revenue income target for the current fiscal year is Tk 54.5 billion.

Alamgir M Rahman, president of the French-Bangladesh chamber, Dhruv Pant, vice president, among others, also spoke at the function.

UAE firm to build exclusive tourist zone at Sonadia

UNB, Dhaka

A United Arab Emirates (UAE) investment group has expressed interest in building an exclusive tourist zone only for foreigners at Sonadia Island in Cox's Bazar, as world's longest unbroken sea beach in the district holds huge untapped tourism prospects.

Investment Authority of Ras Al Khaimah, an emirate of the United Arab Emirates, has set its sights on the panoramic site on the beach of the Bay of Bengal.

Following the proposal from the investment group of the oil-rich Gulf state, the Ministry of Civil Aviation and Tourism is now conducting a feasibility study.

"Few days back, a representative of Ras Al Khaimah authority made a visit to Sonadia Island. They want to build an exclusive tourist zone at the Island. After that, the Tourism Ministry has asked the Parjatan Corporation to conduct a feasibility study," Syed Mohammad Zobaer, secretary of the Ministry of Civil Aviation and Tourism, told UNB.

Sonadia Island is about seven kilometers off Cox's Bazar and about nine-square-kilometer in area in the embrace of the Bay. The western side of the island is sandy and different kinds of shells are found on the beach. Off the northern part of the island, there are beds of windowpane oysters.

During winter, fishermen set up temporary camps on the island and dry their catches of sea fish.

The secretary said the Ras Al Khaimah group has a plan to develop the tourist zone with all modern facilities and arrangements maintaining global standards.

Asked about the feasibility of the proposed Sonadia Exclusive Tourist Zone, he said in terms of natural beauty, the island is very much full of prospects. But the main concern is the environmental aspect of the island.

Essentials' fair price shop in Ctg from today

STAFF CORRESPONDENT, Ctg

Importers and wholesalers launch fair price shops in Chittagong from today to sell essential commodities at lower prices to consumers until the end of Ramadan.

The fair price shops have been initiated with a view to reducing the persistent price gap between wholesale and retail levels, sources said.

The decision came at a meeting between the importers and officials of Director General of Forces Intelligence (DGFI) at its office yesterday.

Several importing companies would conduct the sales operation at 20 different spots in the port city, the meeting sources said.

According to the decision, the importers and wholesalers agreed to sell rice, lentil, edible oil, onion, sugar, potato and gram at the fair price shops.

The major selected spots where the operation will be conducted include Bahodderhat, Sholashahar, Bayezid Bostami, New Market area, Dewanhat, Aturer Depot, Choumuhani,

Madarbari, Pahartali, Barik Building, Olanker, Kazir Dewry, Anderkilla, Boropul, Halishahar BDR Market, CEPZ Gate, Cement Crossing, Steel Mill and Colonel Hat.

Importers said although they will operate their shops partially from today, the full-fledged sales operation will take place within a week.

Abul Bashar Chowdhury of Masud and Brothers, one of the leading importing companies of essential commodities, told The Daily Star that when the price of essentials decreases in the international markets the wholesale prices of such commodities also affect the local markets.

But the retail consumers hardly get any benefit from the price fall of essential commodities keeping pace with the international markets, as the retailers do not follow the market trend.

Representatives of different importing companies including S Alam Group, Abul Khair Group, Masud and Brothers, M/s Elias Brothers, TK Group, Mostafa Group among others attended the meeting.

Warid offers bonus talktime on recharging

STAR BUSINESS DESK

Warid Telecom has launched special bonus talk-time for its Zem prepaid users from yesterday on recharging their accounts with scratch cards.

Under the offer, Zem prepaid subscribers can enjoy the bonus talk-time of Tk 10 to Tk 175 by recharging their accounts with scratch cards of any denominations between Tk 50 and Tk 500, says a press release.

Besides, as part of the package, subscribers can also enjoy 10 to 175 free SMS based on the denominations of the scratch cards.

The latest offer will remain valid until August 31, while the bonus talktime and free SMS will remain valid up to 30 days after recharging.

The subscribers could use the bonus talk-time while making calls to other operators, while the SMS can only be sent to Warid users.

Since its start of commercial operation in Bangladesh, Warid Telecom, invested \$500 million to establish the modern Next Generation Network (NGN), reached over 3.0 million subscribers through spreading its network to 64 districts.



Dhaka Chamber of Commerce and Industry (DCCI) President Hossain Khaled is seen speaking at a seminar on 'Anti-Dumping Duty for protection of domestic SMEs' at the DCCI auditorium, on Monday. The seminar was organised by DCCI in cooperation with the Bangladesh Tariff Commission (BTC). Dr Sayed Naquib Muslim, chairman of BTC, Khandaner Shahidul Islam, vice president of DCCI, and other senior executives were also present.



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BIZ LETTERS

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Potentials of the shrimp industry

Among all the foreign exchange earners, the shrimp and fishery exports are the second largest in Bangladesh. The US and EU are two major marketplaces for this sector, but the sector is facing some international business hurdles; these are child labour and the impoverished food preservation system.

'Bangladesh shrimp plants fully compliant' this issue shows that Bangladesh high officials are willing to follow the rules of the US Food and Drug Administration (FDA). A Bangladesh team has already proceeded to work on the issue.

Bangladesh has covered only a few areas in the world and there are more potential zones for these perishable items. A failure to position our products at the proper place and time will make us lose our market share and that will cut down our foreign exchange earnings. Prudent decisions are beneficial for this export business, and will help this business to flourish.

To retain the goodwill of this popular food item, we must strictly maintain the approved standards. Standardised processing with security marks will attract sentiments of the end users to purchase Bangladeshi shrimps. To maintain the desired standards, we need advanced technologies and skilled manpower, which will reduce the problems of unemployment and help us meet the standards. It is binding on our part to comply with the Consumer Rights Act for our own business purposes.

People all over the world love the taste of shrimps. Present global markets abridge the distance between people and their culture and it is also true that globalisation creates a wide range of business markets.

Bangladesh earned \$449 million in the first ten months of the outgoing fiscal year from frozen food exports despite external and domestic odds. Now the association is trying to boost export to the EU market, which consumers 48 to 50 percent of Bangladesh's

total export of frozen foods. Shrimp industries are also attempting to reduce the unemployment problem in our country. They employ more than 7.5 lakh people. Around 1.4 lakh farmers using 2.5 lakh hectares of land in the south-eastern and south-western coastal areas of Cox's Bazar, Bagerhat, Khulna and Satkhira, now produce more than 50,000 tonnes of shrimps annually, mostly by using traditional methods. This perishable food product is encouraging entrepreneurs to invest more and other related businesses are also flourishing.

The recent scenario of the shrimp industry has dramatically improved over the last two years. We have emphasised on recruiting skilled labour and not employed children in the processing plants. The country needs to ensure a nature friendly recycling system in the adjacent area of industries, eradicate child labour, ensure consumer acts, eradicate international barriers to business.

If we can be prudent in our business activities, then we will be able to gain back the trust of the consumers throughout the world to make this sector flourish.

Debobrata Sharma
Dhaka

BOI: A dream unfulfilled

Board of Investment, the only investment promotion agency in Bangladesh, was established in 1989, after the commencement of the Investment Board Act, 1989. All the manpower of the abolished Department of Industries was placed under the newly created board. The aim of the establishment was to encourage investment in the private sector.

The Chairman of the Board is the Prime Minister or the Chief Adviser and in spite of having such a powerful body, the board, in its 19 years tenure, could not make any effective contribution to the industrial development of the country.

The board has problems, which hinders its natural flow of performance. Unless these are solved we cannot expect desired results from such an important organisation.

In the absence of any set of rules the office of BOI, from the date of inception till present, is run by the personal whim of the chairman of the EC. For a country like Bangladesh, investment promotion is vital. But the fact that only 20 meetings were held in 19 years proves that the board failed to realise the importance of BOI in the economic development of Bangladesh.

EC is supposed to render necessary services related to investment promotion and office management. But in reality its functions are limited only to approving the registration proposals and recommending bonded warehouse licenses and remittance on royalties. Unfortunately, the board failed to give any guideline in this respect in the last 19 years. As a result the EC is more or less inactive and virtually ineffective.

Would it surprise you to know that within a span of 19 years BOI has failed to finalise its organogram! In 1992, the Ministry of Establishment approved an organogram consisting of 582 posts. Instead of giving a permanent shape to the existing organogram, a new organogram was approved in 2004, which included only 254 posts. But because of some practical reasons this organogram could not be implemented. As a result, the retention order, which

includes 582 posts, still continues on a yearly basis. As per the condition of the retention order, no fresh recruitment to fill up the vacant posts is allowed. That is why, since its creation, BOI could not recruit any new officers.

As part of its investment promotional activities, BOI needs to supply all sorts of information relating to the establishment of an industry to the interested investors. But there are no specific guidelines from the government about the use of gas, electricity and coal in the industrial sector. Without having such information, all efforts to attract foreign investment are bound to be futile. So it will be unrealistic to blame BOI for the present trend of FDI inflow in Bangladesh.

Bangladesh needs an effective and efficient BOI. For this purpose functions of the EC should be well defined and they should be vested with ample administrative and financial power so that investment promotional activities do not suffer. An organogram should be finalised immediately and recruitment of the required number of qualified persons should be done without delay. A practicable strategic plan should be developed and implemented. A visionary plan may mar the success of all our efforts. Necessary amendments should be made to make Investment Board Act, 1989 more effective. It will take quite a long time for BOI to make its own office building but the present office should be shifted immediately to a suitable and befitting place. The government should also have well defined policies regarding the use of gas, electricity and coal in the industrial sector.

Khandker Mohammad Ali
Dhaka

Corruption leads to an unbalanced economy

We become disheartened when we hear that Bangladesh stood 1st three times as a most corrupted country in the world. Transparency International Bangladesh (TIB) reveals the story every year in the mass media. The conscious people of our country feel ashamed due to this. Our liberation war, the sacrifices of our martyrs, the immense losses of valuable assets, are all going to fade out. But we have rights to hold our heads high as a free and sovereign country in the world. This is the image we portray to the world and it may have negative consequences in the business community.

One and half years ago, the present caretaker government took massive drives against corruption. The big wigs of our country are now in jail. The anti corruption commission department is seriously active against any kinds of corruption. Besides, many politicians, businessmen, government officers are detained. The government has also restored billions of illegal money and deposited them into the government treasury.

Our government has initiated programmes to build awareness by demonstrating various types of slogans, leaflets, posters and a long drive road show. Public related ministries such as Acc, BTB, LGED, BDR, Bangladesh Police, RAB, Bangladesh Army etc, took part in the road show. The young generation enjoyed the programmes with much enthusiasm and curiosity.

I hope that these awareness programmes have a positive impact upon school and college students. Corruption has sprung

up in all spheres of life and it is impossible to root it out over night. But the next generation is our only hope for the future. We have to vehemently achieve a new bright, polluted free, corruption free country.

MZ Haider
Narsingdi

Kuwait doubles its wages

Hundreds of Bangladeshi workers were forced backed to the Zia International Airport from Kuwait. The workers were found beaten mercilessly and they were charged with unauthorised rioting, vandalising cars, ransacking offices, etc in Kuwait. Due to low wages, a recent rise in housing costs, reduced facilities, and other lack of commitments, thousands of workers staged demonstrations on the streets of Kuwait. It created a disruption and that lead the Kuwait government to realise the issues of the workers.

That is why the Gulf state has set up a minimum salary of \$150.4 for cleaners and \$263.2 for civilian security staff, which is double the previous salary status. Thanks to the government of Kuwait for acknowledging the worker's sufferings. Due to the demonstrations, the Kuwait government punished about one thousand workers and still many workers are being shoved back to Bangladesh every day.



The Gulf state ought to show more sympathy towards the ill paid workers. On the other hand, millions of workers are engaged in the RMG sector in Bangladesh. They are also ill paid. They cannot cope with the present cost of livelihood, so the government and other concerned authorities of our country should realise their minimum demands and not give them any scope to riot. The RMG sector is playing crucial role in our national economy.

MZ Haider
Narsingdi