

ICC-B demands friendlier business environment

STAR BUSINESS DESK

With the journey of the new government amid people's expectation for easing their economic and social woes, the business community's demand is a business-friendly environment, said the Bangladesh chapter of International Chamber of Commerce in the editorial of its quarterly News Bulletin released yesterday.

To create an atmosphere conducive to business, all damaging political activities like hartals should be stopped and supporting infrastruc-

ture be ensured, the ICC-B remarked, according to a press release.

"There are no alternatives to an uninterrupted supply of gas and electricity, dynamic port facilities and smooth rail and waterways communications," it said, pointing out that the political disturbances, such as hartals and street agitations, negatively affect business activities.

The quarterly made an observation that the December 29 election results clearly show that the electorates were totally frustrated with the performance of the past governments and sought a change.

The voters have set five priority agenda for the new government to address: inflation, corruption, food autarky, law and order and social security, the ICC-B News Bulletin said.

The new government, therefore, has to turn its words into actions combating corruption, improving governance, and bolstering the economic activities, the unit of the world business organisation suggested.

While expectations are high, realisations are obviously very challenging, especially in the wake of global recession, the ICC-B cautioned.

Pointing to the fact that the government has started with a lower inflation rate in the domestic front and downward trend in international oil and commodity prices, it suggested the government utilise this advantage in a prudent manner.

In fact, the great chance that the nation now has to change the fate of millions with the help of the homegrown development policy agenda and action plans, the ICC-B's quarterly further remarked, pointing to Bangladesh's ultimate goal to get rid of the curse of poverty through balanced growth and development.

Airbus chief sees 50-60pc drop in world aircraft sales

AFP, Riyadh

World demand for new aircraft could plunge 50 to 60 percent in 2009 due to the global economic crunch and tight credit, Airbus chief executive Thomas Enders said in the Saudi capital on Sunday.

Speaking at the Global Competitiveness Forum in Riyadh, Enders said buyers even in buoyant markets like the Gulf, one of the main venues for aircraft sales in 2007-2008, were drying up.

"We are struggling to get financing for our customers," said Enders, adding that the European firm Airbus is preparing for a long downturn.

Earlier this month, Enders warned that the number of deliveries this year would surpass the number of orders for the first time since 2003.

Airbus delivered 483 aircrafts in 2008, and won 777 net orders valued at 100 billion dollars, the company's website said. Rival US manufacturer Boeing delivered 375 aircrafts in 2008 while it received 662 orders.

Global sales of large new aircrafts was about 1,400 units in 2007.

In July, when oil prices reached record prices, Airbus struck deals to sell eco-friendly passenger jets worth 15.2 billion dollars (9.5 billion euros) to mainly cash-rich Arab states in the Gulf.

Chrysler exec sees automaker viable by spring

AP, New Orleans

A top Chrysler LLC executive says the automaker should be viable by springtime because of its restructuring, introduction of new and improved vehicles, and higher sales due to loosened credit and sweetened incentives for buyers.

Vice Chairman and President Jim Press defined "viable" as remaining solvent and continuing to invest in new products, with an ability in the future to repay government loans.

But he told reporters Saturday at the National Automobile Dealers Association annual convention that he doesn't know when the privately owned Auburn Hills, Mich.-based company will return to profitability.

Press said Chrysler can be viable if the U.S. light vehicle market shrinks from last year's 13.2 million in sales to just over 10 million. As recently as 2007, the market exceeded 16 million.

The struggling Chrysler has received \$4 billion in government loans so far to hold off bankruptcy, and it expects to get \$3 billion more after it files a viability plan with the government by Feb. 17. Without the loan money, its executives have said it would run out of cash.

Press told reporters that the country was living off loose credit and fast spending for years, and a correction probably is good. But that means automakers have to be prepared to make it on sales that are far lower than in previous years.



A delegation from Bangladesh Employers' Federation meets Khandakar Mosharruf Hossain, minister for labour and employment, at his office in Dhaka yesterday.

BEF urges steps against job losses in turmoil

STAR BUSINESS DESK

Bangladesh Employers' Federation (BEF) yesterday urged the labour ministry to take urgent measures to protect the jobs of migrant workers who face threats of displacement abroad.

"Competitive efficiency and skill building should be the main components of any labour market policy to tackle any impact of the global meltdown," BEF said in a statement.

The organisation also criticised a plan to fix the national minimum wage.

The federation said such issues had been discussed at a meeting with Labour and Employment Minister

Khandakar Mosharruf Hossain.

The organisation pointed to indications that garment exports and remittance inflows might suffer, although Bangladesh's economy was not directly affected by the global financial meltdown.

The federation also criticised the proposal to set the national minimum wage without "considering location and its ability to finance and collide with the basic principles of market economy."

Leaders of the federation demand the government should emphasise skill development of the labour market, as there is a big gap

between the skills required for employment and the skills possessed.

The BEF also called for a review of the performances of vocational training institutes and technical training centres at a high-powered meeting, inviting employers and workers' organisations.

The BEF demanded measures to be taken against the formation of more than three trade unions at the Chittagong Port in line with Bangladesh Labour Act 2006.

The federation reasoned out that the measures would save the port from disruptive and criminal activities tied to trade union.

Help Bangladesh get duty-free access to US

Faruk urges envoy

STAR BUSINESS REPORT

Commerce Minister Faruk Khan yesterday sought cooperation from US Ambassador in Dhaka James F Moriarty in passage of a bill in US Congress that will allow Bangladeshi products to get duty- and quota-free access to the US market.

Khan talked of the New Partnership for Development Act 2007 (NPDA) bill with Moriarty as the latter paid a courtesy call on the minister at his secretariat office.

The passage of the bill by the US Congress will help products from least-developed countries (LDCs) get duty- and quota-free

access to the US market.

"The US is one of the largest apparel markets for Bangladesh. That's why I asked the ambassador to cooperate in the passage of the bill so Bangladesh benefits from it," Khan said.

The minister said Bangladesh is doing good business with the US even in the period of global recession and this business will expand further if the NPDA bill gets go-ahead.

Khan said he also sought cooperation from the USA in negotiation process in the World Trade Organisation (WTO).

He said a council would be formed soon to spearhead discussions on bilateral trade and investment

between the two countries.

Khan said the government is preparing a position paper about the Trade and Investment Framework Agreement (TIFA) with the USA.

Later, in another meeting the minister assured the leaders of the Cable Operators Association of Bangladesh (COAB) of facilitating expansion of their business.

COAB leaders demanded duty cut on import of equipment used for cable operation.

COAB President Anwar Parvez urged the minister not to issue more than on licence in a single area for cable operation.



Sanaullah Shahid, a sponsor of Shahjalal Islami Bank Ltd, inaugurates the bank's relocated brokerage house "Capital Market Services Division" at Motijheel, Dhaka yesterday.

Dell seeks refuge in Poland as crisis bites

AFP, Lodz, Poland

There is no joy among workers at Dell's factory here over the global computer giant's decision to shift production from Ireland to Poland but as the economic crisis bites they are relieved their jobs are safe.

"We understand it's a blow to people in Ireland -- we Poles have also suffered high unemployment -- but it's difficult not to be a little bit selfish in this (economic) situation," says Bartosz, a 23-year-old Dell employee and IT student waiting for a bus home outside the vast plant after a shift.

As he gazes down from a balcony overlooking the factory's state-of-the-art assembly lines, Rafal Branowski, communications manager for Dell Poland, says it is unclear how many of the 1,900 Dell jobs lost in Limerick will come to Poland.

The size of five football pitches, the giant factory's three lines employ 1,800 people assembling built-to-order laptops using Asian-made components for clients in Europe, the Middle East and Africa.

"The decision to transfer production from our Irish plant in Limerick here to Lodz and third parties is part of a plan to save three billion dollars," says Branowski.

Pressed, he admits at least one new production line for desk tops and servers creating upwards of 300 jobs is likely to begin operation within a year.

With salaries on the factory floor averaging 1,500 to 2,000 zlotys (345-460 euros, 445-590 dollars) per month, labour costs in Poland are a fraction of those in Ireland.

Hundreds of Filipinos lose jobs daily

ANN/DAILY INQUIRER

Hundreds of people in the Philippines are losing their jobs every day as the global economy slows, Labour Secretary Mariano Roque said Friday.

Between December 1 and January 19, some 15,600 workers were laid off, Roque said in a radio interview.

Over the same period, 19,000 others had their shifts or working hours reduced. "Just for today it was reported to us that 458 people nationwide could lose their jobs," Roque said.

He said most of the job cuts were happening in the electronics sector, which has suffered from plunging global demand.

The sector employs 480,000 people and accounts for nearly 70 per cent of Philippine exports.

After US chip maker Intel Corp announced the closure of a chip testing plant in Cavite province this week with the loss of 1,800 jobs, Roque warned that up to 60,000 Filipinos could lose their jobs this year, mainly in the electronics and garments industries.

Roque said he did not keep comparative figures for previous years, but stressed: "This is not normal. This is not business as usual."



Anis A Khan, chairman of Bangladesh Leasing and Finance Companies Association, presents a bouquet to AMA Muhith when he meets the finance minister at his office yesterday.

Leasing companies demand tax cuts

STAR BUSINESS REPORT

The Bangladesh Leasing and Finance Companies Association (BLFCA) yesterday demanded cuts in corporate taxes for non-bank financial institutions to help the sector grow and contribute to increased economic activities.

A delegation, led by BLFCA Chairman Anis A Khan, met Finance Minister AMA Muhith at his ministry.

BLFCA, the representative body of non-bank financial institutions (FIs), demanded that the government lower the tax rate for FIs from 45 percent, a rate that also applies to banks.

"It was not practical to keep the banks and financial institutions in the same tax bracket, since a major part of the revenue of a bank comes from fee-based earnings such as L/C commission, commission on guarantees,

remittances, substantial exchange income, which a financial institution cannot earn," BLFCA said in a statement.

Moreover, the cost of funds for a bank is much lower than non-bank financial institutions, according to BLFCA.

The authorities must set a lower rate for non-bank financial institutions than banks, it demanded.

"Financial institutions in our country play an important role in mobilising and channelling resources. These institutions comprise leasing companies, investment and finance companies, house finance companies," BLFCA said.

The leasing sector, a vital segment of the financial sector, has contributed significantly over the years, despite a string of setbacks, it said.

"It plays a catalytic role in

providing alternate sources of finance to the private sector. The leasing industry is facing tremendous competition, challenges and regulatory changes, which affects adversely on the business," BLFCA said.

The association also demanded reinstatement of depreciation allowance to the industry saying that otherwise it would increase the tax burden. The government withdrew depreciation allowance for the leasing companies in 2007-08. The industry had been enjoying the allowance since 1985.

Depreciation allowance means, in all leasing transactions the owner of the asset is entitled to a depreciation allowance on machinery, plant, vehicle or furniture given to a lessee.

The finance minister said the ministry would examine the issue.



BPDB's International Tender Notice

1	Ministry/Division	Ministry of Power, Energy & Mineral Resource/Power Division.
2	Agency	Bangladesh Power Development Board.
3	Procuring entity name	Director, Purchase, BPDB, Dhaka.
4	Procuring entity code	Not used at present.
5	Procuring entity district	Dinajpur.
6	Invitation for	Procurement of Spares for Boiler Maintenance Division of Barapukuria Coal Fired Thermal Power Plant, BPDB, Barapukuria, Dinajpur.
7	Invitation for tender Ref No.	Pur-408/2008
8	Date	15.01.2009

KEY INFORMATION

9	Procurement method	Open tendering method.
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FUNDING INFORMATION

10	Budget and source of funds	BPDB's revenue budget.
11	Development partners (if applicable)	Not applicable.

PARTICULAR INFORMATION

12	Project/programme code (if applicable)	Not applicable.
13	Project/programme name (if applicable)	Not applicable.
14	Tender package No.	59 (FY 2008-2009)
15	Tender package name	Procurement of Spares for Boiler Maintenance Division of Barapukuria Coal Fired Thermal Power Plant, BPDB, Barapukuria, Dinajpur.
16	Tender publication date	15.01.2009
17	Tender selling date	18.01.2009 to 08.03.2009
18	Tender closing date and time	10.03.2009 at 11.00am.
19	Tender opening date and time	10.03.2009 at 11.00am.
20	Name & address of the office	Directorate of Purchase, BPDB, WAPDA Building (9 th Floor), Motijheel C/A, Dhaka.
	Selling tender document (principal)	Directorate of Purchase, BPDB, WAPDA Building (9 th Floor), Motijheel C/A, Dhaka.
	Selling tender document (other)	Not applicable.
	Receiving tender document	Directorate of Purchase, BPDB, WAPDA Building (9 th Floor), Motijheel C/A, Dhaka.
	Opening tender document	Directorate of Purchase, BPDB, WAPDA Building (9 th Floor), Motijheel C/A, Dhaka.
21	Place/date/time of pre-tender meeting (optional)	N/A.

INFORMATION FOR TENDERER

22	Eligibility of tenderer	The manufacturer/tenderer shall have a minimum of three years of specific experience in the production & supply of similar goods.
23	Brief description of goods or works	Procurement of Spares for Boiler Maintenance Division of Barapukuria Coal Fired Thermal Power Plant, BPDB, Barapukuria, Dinajpur.
24	Brief description of related services	N/A.
25	Price of tender document (BDT)	BDT 5,000.00 (five thousand) as a Pay Order (non-refundable) of any schedule bank of Bangladesh in favour of Director of Purchase, BPDB, Dhaka.

26	Lot	Identification of lot	Location	Tender security amount in USD or BDT	Validity of shipment
		Procurement of Spares for Boiler Maintenance Division of Barapukuria Coal Fired Thermal Power Plant, BPDB, Barapukuria, Dinajpur	Barapukuria Coal Fired Thermal Power Plant, BPDB, Barapukuria, Dinajpur	USD 5,000.00 or BDT 3,50,000.00 (three lac fifty thousand) only	180 days from the date of opening of L/C
27	Validity of tender and tender security	120 (one hundred twenty) days and 148 (one hundred fortyeight) days respectively from the date of opening of tender.			
28	Name of official inviting tender	Md Abduhu Ruhullah.			
29	Designation of official inviting tender	Director, Directorate of Purchase, BPDB, Dhaka.			

PROCURING ENTITY DETAILS

30	Address of official inviting tender	WAPDA Building (9 th Floor), Motijheel C/A, Dhaka.
31	Contact details of official inviting	Tel: + 88 02 9550523, Fax: + 88 02 7126151
32	Special instruction	Any tender received by the purchaser after the deadline for submission of tenders shall be declared late, will be rejected, and returned unopened to the tenderer. The purchaser reserves the right to accept any tender, to annul the tender process, or to reject any or all tenders, at any time prior to contract award.

Biddyt/Jana-708/4/20-1-09
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Md Abduhu Ruhullah
Director, Purchase, BPDB, Dhaka