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Stocks	
DGEN	▲ 0.26% 5,562.37
CSCX	▲ 0.06% 10,532.02

Asian Markets	
MUMBAI	▼ 0.95% 17,410.57
TOKYO	(closed)
SINGAPORE	▼ 0.91% 2,889.18
SHANGHAI	▲ 0.22% 3,074.58

Currencies		
	Buy Tk	Sell Tk
USD	68.62	69.62
EUR	91.36	95.50
GBP	101.18	105.47
JPY	0.74	0.79

Commodities	
Gold	▼ \$1,104.40 (per ounce)
Oil	▼ \$79.81 (per barrel)

After health care Obama allies target bank reform

AFP, Washington

Fresh from the landmark victory passing health care reform, President Barack Obama's administration set its sights Monday on sweeping reforms of Wall Street's "too-big-to-fail" banks.

On Monday, Treasury Secretary Timothy Geithner was to address the conservative American Enterprise Institute on the urgent need to reform the banking sector, which dragged the global economy to the verge of collapse.

Later in the day, members of the Senate banking committee were to discuss reforms put forward by its chairman, Christopher Dodd, that would create a powerful consumer financial protection agency and curb risky investments.

Unlike other legislative items on the president's desk -- notably immigration reform and climate change -- banking reform is largely uncontroversial among ordinary Americans.

EU presidency wants Greek aid decision at summit

AFP, Brussels

The Spanish presidency of the European Union said on Monday it would push the bloc to agree on financial aid for Greece at a summit this week, despite reservations from EU powerhouse Germany.

"The Spanish presidency will work towards that," Spanish Foreign Minister Miguel Angel Moratinos told reporters before a meeting with his EU counterparts in Brussels.

"It is an important moment for the future of the EU and the euro," he said ahead of the two-day summit which starts Thursday.

"We will make every effort to give this trust, this solidarity that I think (Greece) deserves thanks to the measures that the government of (George) Papandreu has already taken," Moratinos said.

Facelift for farming

SOHEL PARVEZ

Machines are taking over farming in Bangladesh -- slowly but surely -- a major shift in centuries-old manual cultivation.

Ploughing with cows and buffaloes and irrigating fields manually will soon be a thing of the past.

About 67 percent of the 76 lakh hectares of arable lands are irrigated by mechanised means. Power tillers and tractors till nearly 70 percent of 13.74 million hectares of total cropland, analysts said.

With progress made in threshing, almost all maize is shelled by machine and in the case of rice, threshing by machine is about 50 percent, agronomists said.

The adoption of the mechanised methods facilitated timely cultivation, resulting in a rise in production.

It has also reduced the cost of tilling, absorbed a portion of farm labour and accelerated growth in workshop and production facilities for farm machinery and repair services.

"Farming is changing with time. A decade ago, almost all farms used animals to plough with. Now, you will hardly find tilling by cattle in our locality," said Momtaz Hossain, a 55-year-old farmer at Mohadevpur, Naogaon.

Hossain, who has 30 years of experience in farming, linked the drop in tilling by cattle mainly to labour shortages.

"Seven years ago, I had eight tilling cows. But I switched to power tillers because of a dearth of workers. It has become tough nowadays to hire people to look after cows."

"It is possible to till more than three acres of land from dawn to dusk with a power tiller. In case of cattle, only half an acre of land could be tilled until noon," said Hossain, who owns 10 acres of arable land.

To reduce dependence on animals and labourers, Hossain also bought a thresher in 2000.

Although no official data on farm mechanisation is available, over 400,000 power tillers along with nearly 15,000-20,000 tractors are now in use in agriculture, according to researchers.

"It's a silent revolution that began after the 1988 flood," said RI



Sarker, a professor of the farm power and machinery department, Bangladesh Agricultural University (BAU).

Although the journey began as part of a so-called 'Green Revolution', advancements were slow until 1988 because of the standardisation requirements of the government.

Loss of tilling animals in the 1988 flood led the government to relax rules that later encouraged increased imports of farm implements, mainly from China and India. This leads to growth in sales and expansion of farm machinery.

Experts said shortages of tilling cattle as well as farm labourer in peak season were the main factors behind the rise in such mechanisation. Promotional campaigns by public agriculture research institutes and private sector marketers also supported the growth.

"Now about 70 percent of the total crop area is tilled by power tillers and tractors," said Md Syedul Islam, head of farm machinery and post-harvest technology division, Bangladesh Rice Research Institute.

"One of the main benefits of mechanised tilling is timely culti-

vation, which farmers cannot ensure by depending on tilling by cattle," he said. "It is estimated that farmers incur a loss of about 50 kilograms of paddy a hectare every day, if transplantation goes behind the schedule."

Monjurul Alam, a BAU professor, said a labour shortage in peak season caused delayed plantation and harvesting, leading to lower output.

Despite advancements, progress in mechanised transplantation and harvesting still goes slow.

However, remarkable growth has been seen in threshing of major crops, such as rice, maize and wheat.

"Farmers are now using nearly three lakh closed drum and open drum threshers. Some 25,000-30,000 threshers are being made locally every year to meet the increasing demand," said Alam who conducted a study on value chain in the agri-machinery sub-sector of Bangladesh in favour of South Asia Enterprise Development Facility (SEDF) in 2005.

"Farm machinery is revolving around a section of entrepreneurs who invest in farm machinery to earn money," he said.

Wais Kabir, executive chairman of Bangladesh Agricultural Research Council (Barc), said mechanised cultivation has increased without institutional support.

"Mechanisation is on the rise because of individual efforts," he said. However progress in mechanised plantation, reaping and fertiliser application remains slow, he added.

"Also, availability of quality machinery remains a problem. The government should introduce standardisation requirements so that farmers receive quality farm machinery," he said.

The Barc executive chairman also suggested mainstreaming the issue of mechanised cultivation in the agenda of Department of Agricultural Extension to create awareness among farmers on the benefits.

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Look out for more on the evolution of farming in Bangladesh in two more upcoming reports.

1,800 products may be taken off PSI system

NBR holds discussion today

SAYEDA AKTER

The National Board of Revenue (NBR) is set to propose withdrawal of a mandatory pre-shipment inspection (PSI) system for nearly 1,800 products, as part of a plan to phase it out from the next fiscal year.

"As primary steps, we are simplifying inspection and narrowing the activities of PSI companies," said Dr Nasiruddin Ahmed, chairman of NBR.

"We will propose withdrawal of the mandatory PSI system for nearly 1,800 products, which have lower chances of dodging revenues."

The NBR sits with the PSI companies on the issue today to finalise the product list.

The board will finalise the list after consulting with the finance ministry and local business community, the NBR chief told The Daily Star yesterday.

In addition, the NBR plans to create 10 posts of inspectors and deploy them at important foreign missions by 2011 to help strengthen the inspection system in the absence of PSI companies, added Ahmed.

He also said the board is taking measures to develop its own expertise and train officials of the customs department, so they can immediately take over PSI activities.

A five-member committee, headed by a customs commissioner, is working to find ways to phase out the PSI companies.

The committee listed nearly 700 industrial raw materials and capital machinery to receive PSI exemption. Another 1,000 capital machinery and basic raw materials, which are under a 5 percent import duty slab, are also to receive exemption from the mandatory PSI system.

The committee also recommended withdrawal of the PSI system from products imported for pharmaceutical industry, agricultural pesticide, newspaper, leather and leather goods.

The PSI system was made mandatory for imported goods in August 2000 to help the customs department bring transparency to inspection.

Later, the government appointed four-PSI companies -- Cotecna Inspection SA, SGS (Bangladesh) Ltd, Bureau Veritas BIVAC (Bangladesh) Ltd and Intertek Testing Service (ITS) -- in August 2005 for three years to certify price, quality and quantity of imported goods.

The contract terms of PSI firms were extended three times, the latest extended to December 31, as the country's customs department is not yet sufficiently equipped to carry out the functions of PSI firms.