

GSMA calls for lower spectrum costs

STAR BUSINESS REPORT

GSMA Association (GSMA) Director (spectrum) Kristin Due Hauge has suggested the government carefully consider the spectrum policies in the licence renewal guidelines for telecom operators.

Hauge said the authorities should not charge exorbitant fees for spectrum; otherwise the telecom operators may have to pull out of the market due to high costs.

Radio spectrum is the part of the electromagnetic waves corresponding to radio frequencies lower than 300 GHz (Gigahertz) used by the cellular telephone operators or broadcast television stations.

Exorbitantly high costs may restrict technological expansion in the country, which in turn may hinder in achieving the government's ambitious goal of a 'Digital Bangladesh', Hauge said.

"It is about the government earning more short-term revenues opposed to long-term growth and economic development of the country," she added.

Hauge suggested the telecom authority should review the tariff models in neigh-



Directors of GSM Association Kristin Due Hauge, left, and Susie Hendrie, right, attend a press conference in Dhaka yesterday.

bouring countries and adjust them to suit the needs of Bangladesh.

Hauge spoke at a press briefing at the Radisson Water Garden Hotel after a

GSMA seminar on 'Creating Successful Spectrum Policy as part of Mobile's Role in achieving Digital Bangladesh 2021'.

Telecom Minister Rajiuddin Ahmed

Raju, Chairman of Parliamentary Standing Committee on the Ministry of Posts and Telecommunication Hasanul Huq Inu, Bangladesh Telecommunication Regulatory Commission (BTRC) Chairman Zia Ahmed, LIRNEasia CEO Rohan Samarajiva and GSMA Director (public policy) Susie Hendrie, among others, addressed the seminar.

The high frequency charges in the licence renewal process have become a large issue for the four telecom operators who have to renew their second-generation (2G) licences this year.

The four operators -- Grameenphone, Banglalink, Robi and Citycell -- will have to pay a combined Tk 28,000 crore in frequency charges during licence renewal.

The three GSM (global system of mobile communication) operators Grameenphone, Banglalink and Robi are operating at the frequency of 1,800 MHz (megahertz), while the CDMA (code division multiple access) technology-based Citycell operates at 900 MHz.

The telecom regulator had earlier sold each MHz of spectrum to the operators at Tk80 crore in 2008.

Citi gets country officer



Rashed Maqsood

STAR BUSINESS DESK

Citibank has recently promoted Rashed Maqsood to managing director and Citi country officer for Bangladesh, the bank said in a statement yesterday.

Prior to the promotion, he assumed the position of country business manager of the bank in December 2010. He was the head of global transaction services for Citi in Indonesia for three years before he took up his latest assignment in Bangladesh.

As the Citi country officer, Maqsood will lead the Citi franchise in Bangladesh, and will be responsible for the safety and soundness of the franchise by ensuring strong governance.

Maqsood, who has over 18 years of banking experience, started with Citi in 1995 as a relationship manager and assumed the role of head of financial institutions group in Citi, Bangladesh, in 2001. Before joining Citi, Maqsood had worked in corporate banking at American Express Bank.

BGMEA polls reset for March 20

STAR BUSINESS REPORT

The biennial election of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) for 2011-12 will be held on March 20, officials said yesterday.

The election had been set for February 24, but it was deferred after two rival groups raised complaints of a flawed voter roll.

Shafiullah Chowdhury, chief of Election Commission, said he is examining the complaints. "We could not identify any fake voter yet, because the process has not been completed," he said.

Anwar-ul-Alam Chowdhury Parvez is contesting from the Forum panel and Shafiqul Islam Mohiuddin is running from the Sammilito Parishad panel. A total of 3,259 voters are scheduled to elect 27 directors through the BGMEA polls.

In a press briefing yesterday, Abdus Salam Murshedy, BGMEA president, said the job of the association is to cooperate with the election board for holding a fair election.

He said there were complaints of fake voters from both contestants and the association is facilitating the election commission committed to amending

FBCCI urges govt to keep taxable ceilings unchanged

STAR BUSINESS REPORT

The apex trade body of the country yesterday urged the government to increase income tax and expand the VAT (value added tax) network without bringing in change to the taxable ceilings.

"Still many people remain out of the tax network. That's why, we have proposed an increase in tax and an expansion in the VAT network instead of raising the existing ceilings," said AK Azad, president of the Federation of Chambers of Commerce and Industry (FBCCI), at its office.

The FBCCI president made the comments at a meeting with a three-member World Bank delegation.

Ernesto May, director, poverty reduction, economic management, finance and private sector development of World Bank, South Asia, led the delegation accompanied by Sanjay Kathuria, lead country economist of World Bank in Bangladesh.

The trade lobby group's plea came as the National Board of Revenue (NBR) opened discussion with stakeholders and trade associations in the run-up to framing the proposed budget for fiscal 2011-12.

The FBCCI also expressed concern over shortage of funds in the banking system, resulting from banks financing to power sector projects, import-based commodities and cotton, prices of which have gone up on the world market.

Presently, the lowest ceiling for individual income tax is Tk 165,000, while a 15 percent uniform VAT (value added tax) is applicable for both goods and services.

Ernesto May said increasing the domestic resources in the form of revenue collection is important.

In Bangladesh, domestic resource is 11 percent of its GDP (gross domestic product).

He said the World Bank is engaged with the government and trying to bring in international experiences in VAT.

The FBCCI chief also called upon the World Bank to invest under public private partnership (PPP) ventures to reduce power crisis and improve railway and river



TRANSCOM DIGITAL

The sixth annual sales conference of Transcom Digital was held in Cox's Bazar recently. Arshad Huq, chief operating officer of Transcom Electronics, and Habibur Rahman Molla, head of finance, attended the programme.



MCCI

A delegation from the Metropolitan Chamber of Commerce and Industry led by its President Amjad Khan Chowdhury meets Foreign Minister Dipu Moni at her office in Dhaka yesterday.

ICCB points to rising payment defaults in world trade

STAR BUSINESS DESK

The global economic crisis has made a dramatic increase in payment defaults and discrepancies, leading to disputes between international trading partners, said a leading chamber leader.

"The advent and continuing challenges of the financial crisis has seen a surge in defaulting which lead to rows between partners in international trade," said Mahbubur Rahman, president of International Chamber of Commerce Bangladesh (ICCB).

Rahman yesterday spoke at the daylong workshop on international trade finance: cases-analysis and solutions, organised by ICCB.

He said the increase in risk has seen a surge in use of the traditional trade finance instruments such as commercial letters of credit (LC) and standby letters of credit by the parties.

According to the recently published global survey: Rethinking Trade Finance 2010 by the World Trade Organisation, 34 percent of respondents had seen an increase in refusals, 44 percent had seen an increase in claims under standby LC's, 23 percent (up from 12 percent in 2009) had experienced an increase in the num-

ber of court injunctions stopping payment under bank undertakings and 73 percent experienced increases in confirmations, he added.

The ICCB president said international trade injects global competitiveness, so the domestic business units tend to become efficient being exposed to international competition.

"There is an urgent need for advanced knowledge in documentary credit operations and management, and it is essential for the concerned to be proficient in the international trade finance," Rahman said.

Mamun Rashid, chairman of ICCB standing committee on banking technique and practices, said presently more than 80 percent transactions are made through open-ended LCs. He hoped Bangladeshi exporters will be following the international practice promptly.

Vincent O'Brien, visiting expert who conducted the workshop, also spoke. A total of 109 participants from banks, financial institutions and export-oriented industries attended the workshop. The second workshop on the same topic will be held in Chittagong on March 10, where some 45 participants are expected to attend.

ICT is driver of economic growth: Matia

UNB, Dhaka

The use of latest innovations in science and technology is essential to advance the agriculture sector and attain self-sufficiency in food by 2013, Agriculture Minister Matia Chowdhury said.

"The government will continue its initiatives to achieve self-sufficiency in food and ICT can play a key role in reaching the goal," the minister said at the launch of the BCS Digital Expo 2011 yesterday.

Bangladesh Computer Samity (BCS) in cooperation with the Ministry of Science and ICT, and the ICT Business Promotion Council organised the fair at Bangabandhu International Conference Centre in Dhaka.

Matia said the government is committed to building a 'Digital Bangladesh' by 2021 by using modern science and technology and it has been working hard to accomplish the goal.

She said a remarkable development took place in agriculture through providing huge facilities to farmers over the last couple of years.

But she expressed concern that the population is increasing fast and cultiva-

ble lands are shrinking gradually.

"Though unplanned use of cultivable land is putting pressure on agriculture, we have to grow our food grains to ensure food security," she said.

Blaming the developed countries, Matia said: "They (developed countries) produce biofuels from food grains. They do not give us food. So, we have to grow our own food grains."

ICT can bring a revolutionary change to the agriculture sector, she said. "Our scientists have already discovered the genetic code of jute."

Information Minister Abul Kalam Azad said the ICT has been playing an important role in developing the communications and reducing poverty. He stressed the use of modern technology aiming at creating more skilled manpower to build a middle income country by 2021.

Commerce Minister Faruk Khan said the cabinet has already discussed the bandwidth price reduction to make internet services available at everyone's doorsteps. "I think the price of bandwidth should be reduced," he said.



ANANTA

Sharif Zahir, managing director of Ananta Group, and Md Moyjuddin Ahmed, member (Investment Promotion) of Bepza, sign a lease agreement for the allotment of a plot in Adamjee EPZ for Universal Menswear Ltd, a \$20 million venture between Ananta and Time Trading International Ltd of Romania, which will employ over 5,000 Bangladeshis and will export over 1.2 million suits a year.



WESTERN MARINE

Vice Admiral Zahir Uddin Ahmed, chief of the staff of Bangladesh Navy, and Sakhawat Hossain, managing director of Western Marine Shipyards, exchange documents at a keel-laying ceremony to begin the construction of catamaran-type passenger vessels for Chittagong Boat Club in Patiya yesterday. Saiful Islam, chairman of the company, was also present.