Bangladesh to gain from changes to global telecom rules

BTRC chief says international roaming charges will come down

ABDULLAH MAMUN

LEAST developed countries like Bangladesh will be benefitted from the recent amendment to international telecom regulations, said an official.

Subscribers in Bangladesh will enjoy reduced international roaming charges, better internet security, freedom from junk mails, and wider access to international communication.

Sunil Kanti Bose, chairman of Bangladesh Telecommunication Regulatory Commission (BTRC), said there were no negative aspects in the amendment for the people of Bangladesh.

The regulations were revised after 24 years by International Telecommunication Union (ITU) -- a UN body -- at the World Conference on International Telecommunication held in Dubai on December 3-14.

A team headed by Bose and having other representatives from the regulator and the telecom ministry participated in the conference.

The BTRC chief said the people of Bangladesh now have to pay huge charges for international roaming -- sometimes even Tk 80/minute for an incoming call.

"This charge is not justified and the countries will now take actions to make the roaming charges reasonable," Bose said.

The ITU member states will also take steps to block unsolicited emails, he added.

The members will also be able to lay optical fibre cables for neighbouring land-locked countries or small islands.

For example, Bose said, the amendments have paved the way for Bhutan, Nepal or north-eastern states of India to get terrestrial cables from Bangladesh.

However, a previous proposal to regulate internet by the governments was not accepted at the conference, the BTRC chairman said.

"No amendment was done to regulate internet."

Of the 144 states having voting power, 89 signed an agreement to comply with the amended regulations, while some developed countries from the rest 55 did not agree to the amendments.

As a result, the annual financial contribution to the UN body may rise for the countries like Bangladesh.

But Bangladesh has already made its stance clear that it would not bear any additional charges, said Bose.

However, Abu Saeed Khan, a senior fellow of LIRNEasia, a Colombo-based ICT think tank, termed the Dubai conference 'a huge debacle'.

"The ITU secretary-general has failed to keep his promised 'light-touch regulation' over internet. That's why its members are publicly divided for the very first time in the ITU's history."

The countries that have signed the ITR contribute only 26 percent to the global GDP, while the opposing countries' contribution is 72 percent and the absentees' contribution is 2 percent only, Khan said.

"Therefore, the ITU's financial future looks quite gloomy."

Bangladesh, being one of the council members of the ITU, has "very correctly raised the red flag," he added.

"Hopefully, the ITU's secretary-general will give up his misadventure of regulating the internet, which is fundamentally different than telecommunication in the first place."

Ratan Tata hands over reins of empire tomorrow

Ratan Tata

AFP, Mumbai

INDIAN industrialist Ratan Tata retires on his 75th birthday tomorrow, handing over the reins of his sprawling business empire after decades at the top of the country's turbulent corporate world.

Ratan Tata has been credited with transforming the Tata group into a streamlined conglomerate of more than 100 companies and earning a global reputation for eye-catching purchases of Western firms.

With a portfolio ranging from salt and software to tea and telecoms, Tata is India's largest group, and new boss Cyrus Mistry faces a challenge as the first chief appointed from outside the immediate Tata family in its 144-year history.

"I have devoted my life, as best I could, to the welfare of the group," Tata said ahead of his retirement.

The highly-respected, media-shy mogul, who spent 50 years with the company, is likely to mark his last day at the helm in the unassuming manner in which he took over from his uncle J.R.D. Tata in 1991.

The same year saw India unleash radical free-market reforms that transformed the country's economy, and Tata took full advantage.

"Ratan Tata came with zilch expectations and in an environment where the group was headed by people who thought they could perhaps 'manage' him," said financial consultant R. Balakrishnan.

"The transition today is amazing," Balakrishnan told AFP.

Tata companies include India's largest IT firm, the biggest vehicle maker and a ritzy hotel chain.

In one of the group's most successful moves, Tata Motors turned around fortunes of loss-making British luxury brands Jaguar and Land Rover just a year after buying them out from Ford Motors for $2.3 billion in 2008.

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India offers incentives to revive exports

PALLAB BHATTACHARYA, New Delhi

FACED with a widening trade deficit, India yesterday announced an incentives package to reverse declining exports, which are set to fall much short of the $360 billion target for the current financial year.

The 2 percent interest subsidy scheme, which was to end in March 2013, has been extended for one more year. Besides, more sectors have been covered under it with the engineering goods exporters being the major beneficiaries.

Merchandise shipments to the US, European Union and Asian markets will qualify for additional incentives. Exporters are facing a demand slowdown in these markets.

Unveiling these measures, Commerce and Industry Minister Anand Sharma said that "with these measures, we should be able to give a push to our exports in the last quarter of this financial year. The objective is to stabilise the situation and try and move from the negative territory to positive".

While exports of engineering and gems and jewellery items contracted by 5.3 per cent and 10 per cent respectively, that of cotton yarn, jute, readymade garments and handicrafts shrunk by 11 per cent, 14 per cent, 8 per cent and 65 per cent respectively during April-November period this fiscal.

"This is a matter of serious concern to us. They are directly linked to job creation and job sustenance," he said.

Sharma also expressed the hope that with the help of these steps exporters will be able to ship more and help the country reduce the widening trade gap which has touched $175.5 billion between the January-November period.

As part of the incentive package, the government announced introduction of a pilot scheme of 2 per cent interest subvention for project exports through EXIM Bank for countries of Saarc region, Africa and Myanmar.

"This scheme will be operational immediately for a combined worth of $500 million to begin with," Sharma said.

The objective of the scheme is to boost exports to these countries by providing long term concessional credit through EXIM Bank, as co-financing in infrastructure sectors such as housing, irrigation, road projects and renewable energy.

Besides, a decision has been taken to grant incentive on incremental exports that would be made during January-March 2013 over the base period January-March 2012.

These steps would help in, "bringing down the rising trade deficit and keep it at least in percentage terms as it was in 2011," Sharma said.

On the $360 billion exports target for this fiscal, Sharma said "given the global slowdown and the contraction at some of the major destinations of India's exports, we are finding it difficult to meet the target."

Wheat exports to rise

REUTERS, New Delhi

INDIA raised its 2013 wheat export limit by 500,000 tonnes from a year ago on hopes for a bumper harvest and said it would pay its farmers 5.1 percent more for purchases of the grain, contrary to expectations, due to higher input costs.

India, the world's second biggest wheat producer, has been exporting the grain since last year from government warehouses that are overflowing after successive bumper harvests, partly encouraged by generous support prices.

India has allowed 2.5 million tonnes of wheat exports for 2013 to cut bulging stocks, the finance minister said on Wednesday, compared with 2 million tonnes in 2012.

Wheat stocks were at a whopping 37.6 million tonnes on December 1, more than three times a target of 11 million tonnes.

"We have huge stocks. We have three times the buffer stock requirement and therefore we approved the export of additional 25 lakh (2.5 million) tonnes of wheat," P. Chidambaram said.

India, also one of the biggest consumers of wheat with a population of 1.2 billion, raised the price of wheat payable to farmers next year to 1,350 rupees per 100 kg, up from 1,285 rupees this year.

The purchase price, which is equivalent to $245.6 per tonne, is lower than the current export price of between $310-$323 per tonne on a free on board (FOB) basis.

"Indian wheat supplies will remain attractive at least for next 3-4 months," said a Mumbai-based trader.

India sets a price to buy grains from local farmers to protect them from distressed sales, help maintain stocks for emergencies and run various welfare programmers. The higher price will also protect farmers' profits at a time when costs of inputs, such as fertilizer and diesel, are rising.

The move to lift prices comes as a surprise as in November the government had said it would keep support prices unchanged given that it was grappling with bulging stocks and wanted to cut its high food subsidy bill.