

star BUSINESS

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এসআইবিএল
ইয়াং স্টার একাউন্ট
আকর্ষণীয় হারে মুনাফা প্রদান করা হয়
(হিসাবায়নে ইসলামী শরীয়া'র
মুদারাবা পদ্ধতি প্রযোজ্য)



০৯৬১২০০১১২২ নাম্বারে কোন করে এসআইবিএল-এর
যে কোন শাখায় যোগাযোগ করুন

US firms urge return of GSP

463 companies, trade bodies write to US Congress seeking revival of trade privileges suspended in July last year

REFAYET ULLAH MIRDHA

In an effort to lessen their tax burden, a host of American companies and trade organisations have urged the US Congress to immediately restart the GSP programme that expired for all countries on July 31 last year.

"Over the past five and a half months, American companies like ours—and our members—have paid nearly \$2 million per day in higher taxes while waiting for Congress to renew the programme. We cannot afford to wait any longer," said the 463 signatories in a letter to the US Congress on January 27.

The signatories span from single-person sole proprietorships to some of the largest corporations in the world. They include: manufacturers of auto parts, heavy machinery and plastics; wholesalers of chemicals, food products and ingredients and steelmaking materials; and retailers of all types of product.

The companies, nearly 80 percent of which are small businesses, said they use the Generalised System of Preferences to lower costs and remain competitive.



HIGHLIGHTS OF GSP

Companies pay additional \$2m a day due to GSP suspension

Nearly 80pc signatories are small businesses

USTR suspended Bangladesh's GSP on June 27 last year

The US introduced GSP scheme in 1976

Exports to US markets, without GSP, carry 15.3pc duty

"We therefore need Congress to pass a retroactive renewal bill immediately," the letter added.

The programme allowed duty-free entry for all products save for textiles and garment, watches, footwear, handbags and luggage into the US shores from a total of 126 countries and territories.

The Obama administration, however, suspended Bangladesh's GSP status earlier than the rest—on June 27, 2013—citing serious shortcomings in safety standards and workers' rights in the factories, especially in the garment sector.

Commerce Secretary Mahbub Ahmed said a progress report on the recommendations of the United States Trade Representative to regain GSP benefits have already been handed to the US government.

"The US did not respond to our letter yet. I hope when the US will renew the GSP for all countries, we will also be included again under the scheme."

Bangladesh had enjoyed the GSP status since 1976, when the US government started the privilege.



Analysts attend a roundtable on "Access to Information Central to the Post 2015 Development Agenda" at The Daily Star Centre yesterday.

Proactive info is key to corruption battle: analysts

STAR BUSINESS REPORT

The government should proactively disclose information instead of creating barriers to bring down corruption, analysts said yesterday.

"On the one hand, we have passed the Right to Information Act and are calling for good governance. On the other, we are not disclosing information proactively. Things should not be like this," Information Commissioner Sadeka Halim said.

She particularly called out the land ministry for its reluctance to disclose information, although land is the root of most legal

disputes and killings.

Her comments came at a roundtable on Access to Information Central to the Post 2015 Development Agenda, organised by Article 19, a non-governmental organisation, The Daily Star and Equity and Justice Working Group-Bangladesh (EquityBD) at The Daily Star Centre.

The information commissioner also criticised the civil society organisations for their apathy in reviewing whether and to which extent the citizens have benefited from the Right to Information Act, adding that the commission is not as independent as seen from outside.

The ICT act, the Right to

Information Act and the draft National Broadcasting Policy are contradictory, she said. "If this is the case, we will not go very far."

Tofail Ahmed, an expert on local government, said the ministries, for instance, do not reply to emails although the use of IT has widened at government agencies. "They only respond to letters -- why is it so?"

He said the information provided by the candidates to the Election Commission ahead of elections would not give any dividend if the voters are not aware of them.

"But this is not being done. The information about the candidates was published on the commission

website before the 10th parliamentary election, which was later withdrawn."

"The same might be true in case of upcoming upazila elections. We may not get information on time. If we cannot ensure this, we will not be able to show the results, even if we have the Right to Information Act and the Information Commission."

Ahmed, also a former professor of Chittagong University, said the legislations should be reviewed if there are any problems with them. "We also need to look at compliance as it is not being maintained."

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Law ministry recommends judicial pay commission

STAR BUSINESS REPORT

The law ministry has written to the finance ministry to form a pay commission for the judicial service.

The ministry recommended formation of a nine-member panel headed by a judge of the Appellate Division, according to a letter issued on January 28.

The president in consultation with the chief justice will appoint the chairman (from the Appellate Division) and one member from the High Court Division.

A member of the law commission, the comptroller and auditor general of Bangladesh, Supreme Court registrar, a district judge in Dhaka will also be part of the panel.

The other members are secretaries of finance, public administration and law.

The finance ministry formed a pay commission headed by former Bangladesh Bank governor Mohammed Farashuddin last November for government employees. But the panel is yet to begin work despite the ministry's directives to submit recommendations in six months.

Govt's bank borrowing drops 18pc

It looks set to increase in coming months

REJAUL KARIM BYRON

The government's bank borrowing dropped 18 percent in the first half of the fiscal year due to low development spending and high sales of national savings certificates.

Between July 1 and January 6, bank borrowing stood at Tk 5,931 crore, which was Tk 7,213 crore in the same period a year ago, according to central bank statistics.

In the first six months of fiscal 2013-14, the government received Tk 3,857 crore from net sale of national savings certificate, which was only Tk 177 crore in the same period of fiscal 2012-13.

Another reason for the lower bank borrowing is the slow implementation of annual development programme: only 27 percent of total ADP allocation was spent in the first five months of the fiscal year.

Non-development expenditure in the same period was only 30 percent of total allocation.

If the slow revenue growth and the rising expenditure continue through to the second half, bank borrowing may cross the budgetary target of Tk 25,993 crore, a finance ministry official said.

In light of the probable development, the finance division is set to come up with a revised bank borrowing estimate at a meeting of the fiscal coordination council to be held at the end of this week, he added.

The finance division is under dual pressure as the planning ministry wants higher expenditure to achieve high growth but the central bank wants borrowing to remain within the budgetary target to contain inflation.

The government plans to give an incentive package to the garment sector following the political unrest, which will result in an increase in non-development expenditure.

At the same time, about Tk 4,200 crore will be added to the allocation for non-development expenditure to accommodate 20 percent dearness allowance for the government staff, which was not included in the original allocation.

Though ADP expenditure was low in the first six months, the planning ministry does not want to make big cuts in ADP as the new lawmakers are making fresh funding demands for new projects, the ministry official said.

Another planning ministry official said they do not want to lower the GDP growth target to less than 6.5 percent, meaning further increase in development expenditure is needed.

The ADP allocation for fiscal 2013-14 is Tk 65,872 crore. The planning ministry in the meeting of the fiscal coordination committee may propose a small slash in the figure, the official added.

The government's major revenue earner is the National Board of Revenue, who has already slashing its collection target of Tk 1,36,90 crore by more than Tk 16,000 crore.

But the finance division is considering cutting the target by Tk 11,000 crore, officials said.

However, the central bank in the Monetary Policy Statement (MPS) released last week clearly stated the government's bank borrowing must be within the budgetary target to achieve inflation target.

An official of the finance division said in the next meeting of the fiscal coordination council they will coordinate proposals from different ministries and set up the revised targets.

BTRC records a hike in court expenses

ABDULLAH MAMUN

The telecom regulator's expenditure on legal issues rose significantly in the last couple of years as it faced an increased number of cases filed mainly by mobile operators.

Such expenses were Tk 1.25 crore last fiscal year and Tk 2.9 crore in fiscal 2011-12. The regulator spent only Tk 60 lakh in fiscal 2010-11.

In the first four months (July-October) of the current fiscal year, the amount was Tk 64.68 lakh, according to a list of cases and their expenditures produced by the regulator's legal department.

The amounts in recent years were higher as Bangladesh Telecommunication Regulatory Commission, the regulator, engaged senior lawyers to deal with the cases.

READ MORE ON B3

HR practices pick up: study

Feedback comes from 100 people in 40 organisations

STAR BUSINESS REPORT

Recent trends and practices in human resources management in Bangladesh have improved mainly due to changes in global and national economies and better education, a study said yesterday.

Nearly two-thirds of companies in the country now provide in-house and external training to their employees to sharpen their skills, according to Study on HR Practices and Trends Survey 2014.

Ernst & Young LLP, a global leader in assurance, tax, transaction and advisory services, conducted the first study on HR in association with Bangladesh Society for Human Resource Management with feedback from about 100 people in 40 organisations in 11 sectors.



Vivek Sood, chief executive of Grameenphone, speaks at an international human resources conference organised by Bangladesh Society for Human Resource Management at Bangabandhu International Conference Centre in Dhaka yesterday.

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