

GP, Teletalk also to launch free internet

MUHAMMAD ZAHIDUL ISLAM

Grameenphone and state-owned Teletalk will follow suit of Robi and launch free internet for their mobile users. The two operators have already contacted with the authority of internet.org through which Robi came up with the service on the first week of May.

GP CEO Rajeev Sethi said they are evaluating the process and are hopeful to launch the service soon.

The telecom regulator has given the operator the go-ahead weeks ago which was needed to offer the service, he said. Robi launched the service allowing its users browse the lighter versions of 23 sites.

The operator said around 1.2 million Robi customers use the service 4.3 million times in the first 10 days and used close to 100 terabits of data a day.

"We have discussed the issue with the Facebook authority last week and are now evaluating the process," said Gasuddin Ahmed, acting managing director of Teletalk. "I think we need to procure separate equipment named TCRF for the service; but the process for this procurement will take time."

At present, Teletalk has 40 lakh active users and more than one third of them are connected with internet.

"This is not an exclusive offer; and any operator can come and avail the service for their subscribers," Markku Makelainen, director for global operator partnerships at internet.org, said at the launch of internet.org in the country.

Telcos may face music for poor services: BTRC

STAR BUSINESS REPORT

Failure to hold the planned spectrum auction involving Tk 3,000 crore will not create a problem for the government, but operators could face the music for poor quality of services, the telecom regulator said.

Sunil Kanti Boss, chairman of Bangladesh Telecommunication Regulatory Commission, said the mobile phone operators need more spectrum, and if the leading operators do not take part in the upcoming spectrum auctions, they cannot offer quality services.

"If operators fail to ensure quality

services, they will be penalised for it," the BTRC chairman said at a press conference at his office yesterday, on the eve of World Telecommunication and Information Society Day 2015.

International Telecommunication Union observed the day across the globe yesterday, but in Bangladesh, the day will be observed today as Prime Minister Sheikh Hasina could not give time for the event, Bose said.

The government will organise a programme today to observe the day. Hasina is expected to inaugurate the programme at Bangabandhu International Conference Centre in Dhaka.

The BTRC is going to hold two

separate auctions for 10.6 MHz in the 1,800 band and for 15 MHz in the 2,100 band, but four leading operators are unwilling to take part in the auctions, saying some unresolved issues need to be addressed first.

The BTRC chairman said, as the mobile operators have a huge subscriber base within the same limited spectrum, their service quality is falling.

In response to a query, the BTRC chairman said more than 80 percent of internet data used in Bangladesh is for social networking site Facebook.

On mobile number portability (MNP), Bose said the MNP guideline has been sent to the ministry for approval.

New top officials for ICAB's Dhaka regional committee



Md Yasin Miah

Mizanur Rahman

STAR BUSINESS DESK

Md Yasin Miah and Mizanur Rahman have recently been elected as the president and secretary of the Institute of Chartered Accountants of Bangladesh.

The announcement came at the 35th annual general meeting of ICAB's Dhaka regional committee, the institute said in a statement yesterday.

Yasin Miah is currently serving Global Insurance as chief financial officer and has previously worked with Brac, Gonoshastha Pharmaceuticals and Fu-Wang Group. He qualified as a chartered accountant from ICAB in 2007.

Rahman works as general manager for finance and company secretary at The Daily Star, according to the institute. He qualified as a chartered accountant from ICAB in 2006.

Mango joins the export ranks

STAR BUSINESS REPORT

Mango has now officially become a part of the country's export basket, after the first shipment consisting 500 boxes with 625 kilograms of mango were dispatched yesterday for the UK.

The mangoes, which were grown in Satkhira, would be stocked at Walmart stores across the UK.

A second consignment, weighing over 2 tonnes, is also due for shipment next week. If all goes well with the two trial shipments, mangoes would be exported on a regular basis.

At present, Bangladesh is the

eighth largest producer of mango in the world, with an annual output of around 1 million tonnes.

To mark the inaugural shipment, an event styled 'Mango Export Ceremony' was organised by the Hortex Foundation in collaboration with Department of Agricultural Extension (DAE) and Food and Agriculture Organisation (FAO) of the United Nations at the DAE office in the capital.

At present, agriculture goods constitute only 2 percent of the country's total exports, Shubhashish Bose, vice-chairman of Export Promotion Bureau, said at the programme.

He went on to tip agricultural goods to constitute 5 percent of the export basket in the near future.

Currently, mango growers in 25 upazilas receive assistance from DAE, according to Sunil Chandra Dhar, DAE's director for horticulture.

Hailing the export as a giant leap for the country's agriculture sector, Mike Robson, FAO's local representative, said: "I'm excited that Bangladesh's mangoes are going to my home country while I'm working here."

The discussion was moderated by Md Saleh Ahmed, senior value chain expert of Hortex Foundation.

Emirates, Heathrow sweeten loyalty benefits

STAR BUSINESS DESK

Emirates and Heathrow Airport have jointly launched a new strategic partnership to bring increased satisfaction to clients through their customer loyalty programmes -- Emirates Skywards and Heathrow Rewards.

Emirates Skywards members who join Heathrow Rewards via www.emirates.com will receive 1,000 Heathrow Rewards bonus points immediately, the airline said in a statement yesterday.

The new partnership will unite two ambitious brands to create great value and

benefits for over 14 million combined members, who will have the opportunity to convert their miles into points and vice-versa, according to the statement.

Emirates Skywards members can now convert their Skywards Miles to Heathrow Rewards points to spend on Instant Rewards at hundreds of stores throughout Heathrow Airport, including places like World Duty Free and Dixons Travel, it said.

Heathrow Rewards members can also convert their points into Skywards Miles and redeem them for flights, upgrades and other rewards with Emirates' lifestyle partners instantly, the statement said.

Tax receipts improve in March

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In December 2014, collection had soared to 29 percent year-on-year, according to NBR.

"The month of March was relatively better in terms of revenue collection as economic activities started picking up. Increased monitoring helped us log higher revenue," said an official of NBR, seeking anonymity.

In March, collection from all three sources -- import, VAT and supplementary duties from local businesses and industries, and income tax -- rose at higher rates than in the previous month.

Overall, tax receipts rose 16.67 percent to stand at Tk 92,729 crore in July-March of fiscal 2014-15 from Tk 79,477 crore in the same period a year ago.

Growth in collection of income tax and duty at the import stage accelerated during this period, while VAT and SD receipts from domestic businesses slowed, data showed.

Towfiqul Islam Khan, research fellow of Centre for Policy Dialogue, said an easing political situation helped revenue collection to perform better in March.

"The effect of strikes and the

political impasse started to dry down in March, enabling business and economic activities to recover."

In addition, advance income tax collection usually improves during the last month of the third quarter of a year, said Towfiq.

However, the effect of the long spell of blockades on the economy prompted policymakers to slash the budget as well as the revenue collection target for fiscal 2014-15.

The government had earlier reduced NBR's revenue collection target to Tk 135,028 crore from Tk

149,720 crore, set at the beginning of the year.

The collection target for VAT and SD from domestic sources, as well as income tax saw a cut but the revenue target from the import stage was raised, according to the NBR official.

"Such a revision for NBR revenue mobilisation targets was inevitable. In fact, these targets were set at too ambitious levels initially," said Towfiq.

He said NBR's total collection would be close to the revised target by the end of the fiscal year on June 30.

The same old budget

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"I am not aware of the Tk 300,000 crore-budget but I am conscious of the things that are not in the budget," he said, while citing the purchase of aircraft and warships, setting up of nuclear power plants and construction of bridges with suppliers' credit to be worrying. While it is true that the country has seen a development, the quality has not improved, Khan said.

"Although it's a half-an-hour distance, it took one hour and 45 minutes to come to Karwan Bazar from Gulshan, and this type of development has been done."

Khan also said education and health are the two major sectors where budgetary allocations are being wasted on a large scale.

He also spoke of the lack of response of the government to the drop in fuel prices in the international markets.

"The government is yet to follow suit. But when the price increases in the world market, it reacts quickly and raises the price in the local market."

"Now the government is arguing that the transport owners will not reduce the fare even if it cuts the fuel price. It's no logic at all -- it's an issue of good governance."

If there is an absence of good governance as well as consistency in policy, it would be hard to attract foreign direct investment, Khan added. Other discussions at the programme urged the government to widen the tax base instead of raising the tax rate to increase its revenue collection.

They also said an 8 percent GDP growth is a must if the country wants to be a middle-income country by 2021 -- and only investment, both domestic and foreign, can help achieve that.

Faruq Ahmad Siddiqi, a former chairman of Bangladesh Securities and Exchange Commission, said adequate infrastructure and consistency in policy are the prerequisites for increasing investor confidence as well as attract investment.

He also touched upon the country's corporate tax structure, terming it to be "very complicated" and "discouraging" for investment and industrialisation.

He cited the disparity in taxes among

the corporates as a case in point: for mobile companies it is 45 percent, while for banks and financial institutions it is 12.5 percent, for merchant banks 37 percent, non-listed companies 32.5 percent and listed companies 27.5 percent.

Many other slabs are also in practice. But globally there is a flat corporate tax and it is around 25 percent, he said. "The tax rate should be rationalised and simplified," Siddiqi added.

Abdul Mazid, a former chairman of National Board of Revenue, said attaining a double digit GDP growth is not impossible.

"The problem is that the money that is allocated through the budget is not delivering the goods."

He said many projects are not being completed despite spending three times more than was originally outlined. "It's a waste of money without any contribution to the GDP," Mazid added.

Aftab-ul Islam, a former president of American Chamber, said all indicators are pointing towards a big budget announcement from the government. "But the investment is the main challenge," he said.

Let alone foreign direct investment, domestic investment too is now stagnating for want of confidence, he said, adding that no indicator will bring benefits to the people unless the investment situation is improved.

"Investment is the backward linkage for the vision of becoming a middle-income country by 2021," he added.

Ahsan Habib, director of Bangladesh Institute of Bank Management, suggested the government set up a commodities exchange, as there is no visible market place for agricultural products in the country.

AF Nesar Uddin, vice-president of ICAB, said the government should collect more revenue by increasing the tax base instead of increasing the tax rate.

Humayun Kabir, former president of ICAB, moderated the discussion, which was also attended by Abdul Qayyum, associate editor of the Prothom Alo; Masih Malik Chowdhury, president of ICAB; and Jamal Uddin Ahmed, general secretary of Bangladesh Economic Association.

Connectivity key to higher growth

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They spoke at a session on regional connectivity for sustainable development at the "High Level Meeting on South-South Asia and Triangular Cooperation in the Post-2015 Development Agenda" at Sonargaon hotel in Dhaka.

The two-day meeting is being organised by the Economic Relations Division of the government in partnership with the United Nations Office for South-South Cooperation and United Nations Development Programme.

South-South Cooperation is the mutual sharing and exchange of development solutions -- knowledge, experiences and good practices, policies, technology and resources -- between and among countries in the global South.

Triangular Cooperation involves partnerships between two or more developing countries along with a third partner, typically a traditional resource partner and/or multilateral organisation.

Inyang Ebong-Harstrup, deputy director of the United Nations Office for South-South Cooperation, said it is easy to promote people-to-people connectivity.

Towfiqul Islam Khan, research fellow of the Centre for Policy Dialogue, said the European Union has proved that regional connectivity is possible despite century-old problems between many countries and cultural and language barriers.

"We can do the same within South Asia, and between South Asia and Asean," he said, calling for promoting all modes of connectivity in the region.

He said, if South Asia can be connected with Asean (Association of Southeast Asian Nations), the entire Asian region would be integrated.

Khan said regional connectivity has become important as focus is increasingly shifting towards economic issues.

"Tariff level is coming down faster compared to a decade ago. Trade facilitation is also coming up."

Sultan Hafeez Rahman said nothing would happen if there is no strong political commitment from governments. Countries also cannot bypass local communities, apart from political sensitivity, when they construct any infrastructure.

Rahman said there has been rapid change in the areas of ICT, communications and people-to-people connectivity in recent times.

Trade expert Mostafa Abid Khan said South-South trade costs much higher than that of South-North trade and North-North trade.

"The same is true for South Asian coun-

tries. So, it is better for South Asian countries to do more trade with countries outside South Asia," he said.

Khan said countries in South Asia should not only focus on market access and tariff and non-tariff barriers but also press more for trade facilitation to reduce trade cost.

Qu Guangzhou, deputy chief of mission of the Chinese embassy in Dhaka, gave example of how his country has put more emphasis on building roads as part of a plan to reduce poverty.

He termed the planned Bangladesh-China-India-Myanmar economic corridor as a good start to foster regional connectivity.

The diplomat also said, apart from financial support from the World Bank and the Asian Development Bank, huge funds are available following setting up of the Asian Infrastructure Investment Bank and the Silk Road plan, both led by China.

"China has also set aside \$20 billion for developing connectivity and other infrastructure in South Asia. So, China stands ready to support the region," he said.

In another session, speakers called for enhancing South-South cooperation in science, technology and innovation between least development countries and emerging economies.

Ryan S Song, policy adviser to the president's office of South Korea, who moderated the session, said countries must learn from the Millennium Development Goals to use science and technology for achieving higher growth.

"If we can build adequate infrastructure, it will bring foreign investment, create jobs, help growth of the local industries and create wealth."

Yeafesh Osman, state minister for science and technology, said people's participation is key to driving growth through IT.

Jong-Jin Kim, director of South-South and Resource Mobilisation Division of the Food and Agriculture Organisation, said: "If we can invest in agriculture, we will be able to eliminate hunger and poverty effectively and lead countries to sustainable development."

Jean-Francois Regis Zinson, permanent representative of Benin to the United Nations, said none has to be left behind in the Post-2015 period. "We have to focus on technology and innovation in raising the skills of youth population."

Prof Naiyayum Choudhury, chairman of Bangladesh Atomic Energy Regulatory Authority, said: "Technology is global, but your needs are local. So you have to be careful about what technology you will adopt and what not."

Efforts to stop misuse of ADP funds

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Typically, a large portion of the funds are spent in the last month, a practice that always draws flak from economists.

A detailed guideline will be issued to all ministries shortly, a planning ministry official said.

A spending spree of project funds is observed near the end of each fiscal year, which raises questions about the quality of project implementation. Thus stern steps are being taken to stop delays in implementation, Kamal warned.

Enough time to implement the projects will be given, but no more, and evaluation reports have to be submitted as soon as the projects end, Kamal said.

Project directors who do well will later be charged with bigger projects, he added.

Also, projects that are spread over the country will have one director, he said.

No project against river erosion will be started during the monsoon as these cannot get implemented properly, Kamal said.

Such projects will be approved in August and the tender process will have to be completed by October so that work can be done in the dry season, according to the minister.

Next year's ADP funds are 29 percent higher than the current year even though most of this year's funds remained underutilised.

The initial size of the ADP in the current fiscal was Tk 80,315 crore, which was later slashed to Tk 75,000 crore. However, only 56 percent of the revised ADP has been spent in the first 10 months of this year.

The planning ministry initially proposed Tk 92,500 crore for ADP in the next year, but considering the demand from other ministries, Prime Minister Sheikh Hasina increased total allocations by Tk 4,500 crore.

In fiscal 2013-14, original ADP was worth Tk 65,872 crore and was later marked down to Tk 60,000 crore in the revised budget.

However, by the end of the year only Tk 56,913 crore was spent, according to the Implementation Monitoring and Evaluation Division.

Actual ADP expenditure in the time was even less according to the finance division's data, which recorded just Tk 51,999 crore in spending.



M Wahidul Haque, chairman of AB Bank, and Shamim A Choudhury, managing director, attend the bank's 33rd annual general meeting at Bashundhara Convention Centre-2 in Dhaka yesterday. AB Bank approved 12.5 percent stock dividends for 2014. Earlier, an extraordinary general meeting of the bank also took place.



Sole agent (since 1955) of CARRIER BRAND AIR CONDITIONER Haroon Engineering Ltd and Dutch-Bangla Bank Ltd have signed an agreement on 07th May, 2015 for InstaPay facility@ 0% interest rate. The agreement was signed by management of Haroon Engineering and Mr. Kamruzzaman, Head of Personal Banking, on behalf of our respective organizations. From now on buy the original Carrier Brand Air Conditioner through your DBBL, Master, and Visa credit cards and make payment within three months installment without any interest.