

Accent on policy support for small industries STAR BUSINESS REPORT

Speakers at a meeting called upon the government to formulate a policy friendly for small industries.

The speakers observed the small and cottage industries have a good prospect, but lack of proper attention is hampering their potential

Intermediate Technology Development Group (ITDG), a UK-based organisation working in Bangladesh on small industries, organised the meeting at its Dhanmondi office on Wednesday.

"The small scale investors cannot compete with big ones as they avail hardly loan from commercial banks,' said MM Akash, professor of Economics in Dhaka University

Among others, ITDG Country Director Veena Khaleque, Sazzad Khan and Abdur Rouf addressed the meeting, which was presided over by Maleka Khan.

Global Insurance opens branch at Tongi

Global Insurance Limited has opened its 12th branch at Tongi

Advisor of the company M Amanullah inaugurated the branch as chief guest on Wednesday, says a press release.

Chairman and Managing Director of Butterfly Marketing Ltd M A

Mannan was present as special guest. Chief Advisor of the company R A Howlader, Chairman of the Executive Committee Syed Badrul Alam, Advisor S M Shakil Akhter, Gulam Faruk Ahmed, Md Nasiruddin Choudhury, Director Md Sirajul Islam, Managing Director M Aftabuddin Shah, Company Secretary S M Jasim Uddin Ahmmed and officials of the company were also present at the opening ceremony

New DMD of

Agrani Bank KM Ashaduzzaman has recently joined Agrani Bank as deputy managing director. Prior to his present position he was the

general manager of sector people to play responsible role for Bangladesh Krishi Bank, savs a press the economic development. Bhuivan, also the secretary general release.

of the ruling BNP, said the government An MA in Economics, Ashaduzzaman started his banking is ready to provide the private sector

Ban on shrimp fry fishing in Sundarbans from '04 likely

গ্লৌবাল ইন্যুরেন্স লিমিটেড

PINAKI ROY, back from the Sundarbans

The government is planning to ban fishing of shrimp fry in the Sundarbans area from next year in a bid to check environmental degradation.

Over-fishing, especially shrimp fry collection. has been depleting fish population in the Sundarbans area. As fishermen kill 300 to 500 other fish fry to collect one shrimp fry, the govern-

ment is planning to impose the ban. 'We have already imposed ban on fishing in some areas. But from the next

Wednesday

exports.

year fishing will be totally banned in the Sundarbans area," said Shajahan Siraj, minister for forest and environment

> "We have to impose the ban otherwise it will be difficult to save the Sundarbans," he added The minister also said the government will talk with stakeholders to help

them face the situation stemming from the possible ban. Fishermen will receive micro-credit to do something else but fishing, he added. As many as 80,000 to 150,000 people

catch fish everyday in some 450 rivers and canals in the Sundarbans, the

items to boost exports

were special guests at the ceremony.

Chittagong Chamber of Commerce

and Industry (CCCI) President Amir

Humayun Mahmud Chowdhury

chaired the function where Thai

Ambassador to Bangladesh Phithak

Phrombubha and CCCI Senior Vice-

for the development of Chittagong,

Bhuivan said process is underway to

Dwelling on the comprehensive plan

president Ershad Ullah also spoke.

Ctg international trade fair ends

world's largest mangrove forest, Aquation Resources Wing of the Department of Forest sources said. According to the wing, approximately 15,000 to 20,000 tons of white fish, 3,600 tons of shrimp and crab, 750 tons of hilsa and 15 crore shrimp fry are procured every year from the Sundarbans river system

Some 210 species of white fish, 26 species of shrimp and prawn, 13 species of crab, 3 species of turtle and 42 species of mollusks are available in the region. As the water salinity is increasing,

some species of sea fish and dolphins are approaching towards the

Bangladesh but also to the long cher-

The foreign minister said with the

government focusing on the East Asia

for economic benefits efforts will be

made soon for making a road link

between Chittagong and China via

Myanmar, where Asian Highway

the policy shift does not overlook others

The foreign minister, however, said

emerged as indispensable part.

ished Asian Highway

"Now it is very important to check $fishing \, in \, the \, area. \, The \, government \, took$ initiative this year to ban fishing but compelled to withdraw the decision again as local people do not have alternative profession," said Md Emdadul Haque, divisional forest officer of

According to officials, nine species of fish, including pangas, kain magur rupchanda and vetki have become

Aquatic Resources Wing

endangered in the area

Allergen-free shrimp in the making

marine environment

finalised

US CEOs offer bleak

view on economy

mental destruction around the world.

Certification Council's (ACC) standards

for shrimp farm certification have been

The 12 standards, which are categor

ised under the primary areas of commu-

ing employment to fall

tainable recovery.

The latest survey showed executives

It also showed companies remain

Twenty-seven per cent said they

November poll had put at 2.4 per cent.

reluctant to increase capital spending.

STAR BUSINESS REPORT

When a UK-based environmental organisation starts campaign against substandard shrimp, a group of US researchers has said allergen-free shrimp may be on the way through genetic engineering.

According to sources in Dhaka, the researchers from Tulane University are also developing some improved methods that will detect unknown food allergens and contribute towards better safety for new food products, which are altered through genetic engineering.

nity, environment, food safety and Environmental Justice Foundation traceability, are listed on the ACC web (EJF) in an appeal asks supermarkets for site, www. aquaculture not importing low quality shrimp, and consumers for not purchasing this food certification.org

India's industrial output up 6.4pc **REUTERS,** New Delhi

India's industrial output rose 6.4 per item unless there is a proof that its cent in February from a year earlier production has not harmed coastal and due to a strong manufacturing sector and analysts said they expected growth In a 'call to action', the EJF says in its to be sustained despite the worst

drought in 15 years. web site that shrimp production is Figures released Thursday by the inherently unsustainable and is causing government's Central Statistical waste, hunger, violence and environ-Organisation said output was up from 2.4 per cent in February 2002 when a Meanwhile, Aquaculture global and domestic slowdown hit

> demand Analysts said industrial output was unlikely to be hit by the conflict in Iraq as Asia's third-largest economy was a fairly insulated one with exports contributing just 10 per cent of the country's GDP.

> "I think overall the growth is going to be sustained due to the domestic demand. It is the domestic demand that is providing support," said Ajit Ranade, chief India economist with ABN Amro Bank

> Output has been maintaining a steady pace over the past few months with industrial output rising 6.4 per cent in January and 5.0 per cent in December 2002

Industrial output in the first 11 months of 2002/03 (April-March) rose a healthy 5.7 per cent compared with slightly ratcheting back their forecasts 2.6 per cent in the same period the for economic growth, which the previous year

Manufacturing, which accounts for about 80 per cent of industrial output. jumped 6.5 per cent in February compared with 2.9 per cent in the same month a year earlier

spending over the next six months, OECD sees world while only 18 per cent planned to raise it. A collapse in business spending on economy edging plants and equipment led the economy into recession in early 2001. Economists away form say a pickup in business investment is needed to ensure a broad-based, susrecession

Dillon cautioned, however, that US businesses are still operating with ample capacity, suggesting capital spending was unlikely to rise without a pickup in consumer demand

Executives responding to the survey identified consumer uncertainty stemming from the war in Iraq and the related worry of terror attacks as the biggest economic challenge

Asked if the economy might pick up now that the US-led war in Iraq appeared to be entering its final stages, Dillon said that while some rebuilding of inventories might be expected, a more

turn the port city into commercial but the government is trying to focus on capital in true sense. every direction. Referring to acute As such the Asian Highway aims Chittagong, the minister said new linking the country with India, the largest neighbour of Bangladesh, he projects making use of surface water are required to solve the crisis. added. Foreign Minister M Morshed Khan State Minister Jafrul Islam said construction of the third bridge Chowdhury sought assistance from over the Karnaphuli will start soon. both home and abroad for construction The bridge is needed not only for of the World Trade Centre in linking south Chittagong to the rest of Chittagong

Lankan economy may grow 5pc this year REUTERS, Colombo

REUTERS, Washington Sri Lanka's economy is expected to Executives at top US companies expect a grow by nearly five per cent this year as weaker economic performance this year long as the war in Iraq ends soon and than last, with many anticipating a need oil prices remain relatively low, ana-

lysts said in the latest Reuters quarterly to reduce payrolls over the next six months, a survey released yesterday Asian economic poll. Economists were expecting the showed. same growth in a similar poll taken three months ago, a sign that the Iraq war and weak global economy may be having little impact on the Sri Lankan

economy Sri Lanka spent more than \$33 to import a barrel of crude oil during the first two months of the year -- a high price that threatened to crimp its economic growth, but prices have plunged below \$30 since the start of

peace process to end a 19-year civil war, expanded agriculture and fishing in the war-torn north and east and a steady arrival of tourists should help the economy grow by 4.9 per cent after an expected 3.5 per cent last year, economists said.

improvement in the economy this year. If the war goes smoothly oil prices can dip," said Dushyanth Wijesinghe, head of research at Asia Securities. A ceasefire signed one year ago

while more donor aid this year will support the economy. On the downside, soft demand for

said

even though 60 per cent were anticipat-

fundamental strengthening may be lacking.

AFP, Paris The OECD said on Thursday that the global economy was edging away from recession, but warned that an interest rate cut and structural reforms were

the euro zone. "The conditions are in place for a substantial and rapid monetary move," said the organisation's chief economist Jean-Philippe Cotis, renewing his call on the European Central Bank to cut euro-zone rates.

needed to restore healthy growth in

European governments should not try simply to spend their way out of the slump, he warned, voicing doubts over the "effectiveness of budgetary policy as a support to confidence". Improvements in consumer sentiment achieved through public spending hikes tended to be "weak and expensive", he said.

PHOTO: GLOBAL INS M Amanullah, advisor of Global Insurance Ltd, inaugurates as chief guest a new branch of the company at Tongi on Bhuiyan for exploring new

the US-led war on Iraq. Positive investor sentiment due to a

"There should be an overall

opened up roads to the north and east

said US executives expect US gross domestic product to advance just 2.2 per cent this year, a bit less than the sluggish 2.4 per cent gain registered in 2002.

hire new workers, while 45 per cent expect to let workers go

"What we're seeing is a continuing trend of a weakening economy, Business Roundtable Chairman John Dillon, chairman and CEO at International Paper IP.N, told reporters on a conference call. "This economy continues to operate well below its potential and continues to be of serious

concern to us." "We're teetering someplace right on the brink of negative numbers," Dillon

> In a survey released in November, 71 per cent of the responding companies looked forward to higher sales this year,

A survey by the Business expected to reduce their investment Roundtable, whose member companies have a combined work force of 10 million and \$3.7 trillion in revenues

In addition, only 9 per cent expect to

career in 1978 as a Grade One Officer. Then he worked in Grameen Bank Project (now Grameen Bank) as project coordinator

He participated in training courses at home and abroad

Japan Garden City now CityCell corporate client

Japan Garden City has signed an agreement with Pacific Bangladesh Telecom Limited (PBTL) for availing itself of CityCell Digital Corporate Service, says a press release.

The agreement will help Japan Garden City to reduce its telephone expenses significantly. Moreover, it will get some exclusive services from CityCell, the release added.

Japan Garden City, a Bangladesh-Japan joint venture company, is implementing satellite township near Mohammadpur on about 30 bigha of land with more than 2000 apartments.

Farhad Alam, AVP, Corporate Sales of PBTL and Md Wahiduzzaman, MD of Japan Garden City Ltd, signed the accord in Dhaka recently

Saleh Akram, GM of Japan Garden City, and Naimul Hoque, senior executive of PBTL, were also present at the signing ceremony.

US presses for Japanese reforms AFP, Washingto

The best thing Japan can do for its economy is pursue reforms to make itself more flexible, US Treasury Secretary John Snow said Thursday ahead of global financial meetings here.

Greater flexibility, rather than simply fiscal or monetary policies, would allow the sluggish Japanese economy to perform better, Snow told a news conference.

Snow will meet with Japanese Finance Minister Masajuro Shiokawa over a Group of Seven dinner Friday evening and formal G7 meetings Saturday morning

G7 policymakers then join colleagues from around the world for International Monetary Fund-World Bank meetings over the rest of the weekend

with all possible facilitates for the growth of the businesses.

The minister was addressing the closing ceremony of Chittagong International Trade Fair (CITF) 2003 here.

STAFF CORRESPONDENT, Ctg

LGRD and Co-operatives Minister

Abdul Mannan Bhuiyan on Thursday

urged entrepreneurs to explore more

unconventional items and develop the

quality of conventional goods to boost

Bhuivan also called upon private

Foreign Minister M Morshed Khan and State Minister for Forest and Environment Jafrul Islam Chowdhury

from the United States and Europe was a concern and tourism and tea exports could suffer from a long war in Iraq.

> Analysts said inflation was seen at 9.5 per cent this year, down slightly from 9.6 per cent at the end of last year. The central bank expect the inflation rate to drop to between seven and eight per cent this year.

The trade deficit is expected to widen slightly to \$1.43 billion from \$1.41 billion last year on more imports of consumer goods while export growth remains sluggish.

US House okays \$2.2t budget with scaled back

tax cut AFP, Washington

The US House of Representatives early Friday narrowly approved a 2.2 trillion-dollar budget blueprint that includes a drastically scaled-back version of President George W. Bush's tax cut proposed earlier this year.

The 216-211 vote, cast by exhausted lawmakers in the predawn hours largely along party lines, was made possible by an unusual compromise reached by House and Senate negotiators that postpones a decision on the final size of the tax cut, most likely until the summer.

With the most controversial issue kicked down the road, the House approved the blueprint known as a budget resolution that contains a pledge not to seek a tax cut larger than 550 billion dollars, down from 726 billion requested by Bush in January, in hopes of giving the flagging US economy a shot in the arm.

But given the broad opposition to his plan in both chambers of the US Congress, the president was happy anyway.

"I commend House and Senate negotiators for their hard work and success in ensuring that the Congress has a budget resolution in place that reflects my priorities of winning the war against terrorism, protecting Americans at home, and strengthening economic growth," Bush said in a statement.

"The compromise budget resolution funds our priorities, restrains spending, and provides opportunity for passage of a robust jobs and growth

package," he added.

2 \mathcal{P}

Saturday Business Solutions

Do you have business problems? Write to us at: Saturday Business Solutions

The Daily Star, 19 Karwan Bazar, Dhaka, Bangladesh, E-mail: dsbusins@gononet.com

The Daily Star runs a business solution column which appears on Saturdays. While running your business, you come across problems and wish someone would help. This column will provide you with insights to solve your problems. Write to us or to Sarwar Ahmed, MBA (sarwar@asia.com) who hosts this column. Staying Fit

It is that age when you painfully realise that you have got a small paunch which makes your trousers unwieldy. The belt seems to have grown one more notch. And if you get your blood checked, the cholesterol is on the borderline that makes your spouse worry.

So off was I pushed to do the early morning rounds of Dhanmondi lake. Waking up was the easy part. The rusty bones creaked and the lax muscles groaned, as I took to the pavement surrounding the lake. I found myself in the company of many enlightened people who took their health more seriously than I did. There were solemn concerned faces strutting along, worried about their weights, as there were light ones, enjoying the freshness of the morning.

I could feel the cool morning breeze caressing as I strolled along the path finally enjoying a walk which I had been promising myself on every new year's day, for the last several years. As I quickened my pace, the skin pores, inactive for a long long time began opening up as sweat beads began to swell and drain out. My lungs began to expand, as the fresh air seemed to seek out all nook and cranny for each and every alveolus. It felt wonderful as the morning air rejuvenated body and soul

As I walked on, I noticed some people gathering in the amphitheatre on the other bank of the lake. Soon these people were doing free hand exercises led by a portly leader. Tempted, I joined the group, exercising a body not used to such strenuous activity for years. The group I noticed had people sprightly young and brittle old. There were several who seemed fit and fine and could do well to have stayed in the comfort of their beds. And of course there was a wise wit who would put smiles on our face with his humorous punch lines, as we struggled with the exercises. There is nothing to beat a morning start with humour and health!

The exercises had names too. We went through Sonargaon's ball-dance to the Serpent's dance. There was Tarzan's call to exercise your vocal cords as was the 'muri-bhaja', a twisting exercise that got the hips rolling.

I managed to stay on until the end of session, completely awash with sweat, and tired, begging my feet to carry me home. As I reached home, drenched, I collapsed on the sofa, exhausted but happy of the successful break from the monotonous life style I had been living in. A shower and then the warm glow emanating after the exercise kept me light and lively through out the day.

As the day waned, so did the physique. Good excuse to get into bed early and skip all the sordid details of the soap operas infesting the late night tv channels. I drifted off into a good sound sleep. And a good reason to wake up early! My life pattern too is changing for the better.

I am not a fitness freak. However these last couple of days has convinced me that we do need to get some exercise to stay fit, mentally and physically. I would suggest that you also join in. Anyone for the Hip Hip Hurray exercise? Join the club and find out!

The risk of global recession had diminished in recent weeks, he said. but there was an increased chance that the world was now facing a prolonged period of weak growth.

"The risk of recession is smaller than it was a few weeks ago, because the acute risk that can push the world economy rapidly into recession, such as an oil price shock, has reduced significantly," he said.

"The disparate risks on the microeconomic side, such as tourism, consumer spending, investment, have been growing in recent weeks, which indicates that growth will remain weak for longer."

Cathay gives profit warning, cuts flights due to SARS, war AFP, Hong Kong

Hong Kong-based carrier Cathay Pacific Airways on Friday issued its first ever profit-warning and announced it will slash its flights by more than a third after being battered by the SARS virus and the war in Iraq.

Cathay said its results for the first half of 2003 were expected to be "materially adversely affected" by a sharp fall in passenger demand due to the war and widespread public concerns about the Severe Acute Respiratory Syndrome (SARS) outbreak in Hong Kong and other parts of the world".

"After a strong start to the year, Cathay Pacific's passenger load factors dropped sharply in the second half of March. The impact was felt across almost all routes, both long-haul and short-haul," it said in a statement.

"The average number of passengers being carried by the airline per day is currently about one-third of that for the comparable period last year. Forward bookings are also very weak,' it warned.

The airline said it would respond by reducing its frequency of flights while maintaining its network of destinations served.

SUBSCRIPTION CEREMONY CORPORATE SER

United States and drew outright opposi-

tion from private sector creditors who

Instead, Snow opted for the alterna-

feared having their rights diluted.

Farhad Alam, AVP- Corporate Sales of Pacific Bangladesh Telecom Limited, and Wahiduzzaman, managing director of Japan Garden City, exchange documents after signing an agreement in Dhaka recently. Under the deal, the real estate company has become a corporate client of CityCell Digital.

US rejects IMF scheme

AFP, Washington

debtor nations.

majority of creditors

US Treasury Secretary John Snow flatly rejected Thursday an IMF plan to help stricken nations resolve debt crises with a new "bankruptcy-style" system. He effectively hammered the last

nail into the coffin of the International Monetary Fund scheme, which had once promised to be the centrepiece of IMF-World Bank meetings here this weekend

"It is neither necessary nor is it feasible to continue working on the SDRM (sovereign debt restructuring mechanism)," Snow said ahead of weekend meetings of the International

for debt-stricken states Monetary Fund and World Bank tive scheme -- inserting "collective He backed instead a system based on action clauses" in the terms of bonds inserting new clauses in bonds issued by issued by debtor nations

Those clauses would allow a set majority of creditors holding the bonds to agree to the country restructuring its debt, rather than requiring the consensus of all creditors.

Snow noted that Mexico had successfully issued bonds containing the new clauses in February and again this week

The SDRM was supposed to act like a bankruptcy court, providing for a country with an unsustainable debt to restructure with the agreement of a set

The new provisions are aimed at But the plan, first outlined by IMF preventing hold-out creditors from deputy managing director Anne drawing out the agony of debtor nations Krueger in November 2001, never won in crises. more than lukewarm support from the

HOTO: CITYCELL