

ADB grant for Bangladesh

MANILA, June 16: The Asian Development Bank (ADB) Saturday said it had approved a 600,000 dollar technical grant for an urban development project in Sri Lanka, reports AFP.

The grant, to be financed from the Japan special fund, is intended to prepare infrastructure investment programmes in about 15 urban centers to be selected from 48 cities outside the Colombo metropolitan area, the Manila-based ADB said in a statement.

The ADB also said it had approved a 98,000 dollar grant for socio-economic and re-evaluation studies of selected projects in its developing member countries, specifically the Wampu river flood control project in Indonesia and three crop intensification programmes in Bangladesh.

Reliance Insurance earns Tk 3cr profit

Star Economic Reporter

Reliance Insurance limited earned Taka 2.77 crore profit in 1990, says a press release Sunday.

Excluding the exceptional loss reserve and income tax, Reliance's net profit stood at Taka 72.91 lakh, the press release added.

The Company declared 15 per cent interim dividend (ID) in November 1990 and the Board of Director decided to recommend five per cent final dividend (FD) for the year ending December 31, 1990, the press release said.

The Board of Directors of Reliance Insurance Limited approved the accounts for 1990 at a meeting held on Sunday and decided to place for approval of the shareholders for a total 20 per cent (15 per cent ID and 5 per cent FD) at the next Annual General Meeting, the press release added.

Workshop on mill practices begins at IJO hqs today

A three-day workshop on Mill Practices will begin in Dhaka today (Monday) at the International Jute Organisation (IJO) headquarters, reports UNB.

The workshop, is being organised under a study initiated by IJO to highlight the problem areas in the jute mills of the major jute manufacturing countries and also identify the actions needed to improve their overall performance.

Secretary Ministry of Jute Mohammad Asafuddin is expected to inaugurate the workshop, said an IJO press release.

The study also attempts to secure information on jute mills sector for vital exchange amongst jute goods manufacturing countries. Bangladesh, China, India, Nepal and Thailand are covered under the study.

Each of the participating countries has nominated a country collaborator to prepare respective country's paper by undertaking a survey on the basis of the study proposal and questionnaire prepared by the IJO Secretariat.

Private and public sector industries will also be represented for greater effectiveness.

The workshop will be attended by country collaborators and resources persons.

India's stock markets defy election jitters

BOMBAY, June 16: Despite predictions of a hung parliament next week when election results are declared, optimism on prospects for the country's economy pushed India's stock markets higher this week, reports AFP.

Market bulls sent the Bombay Stock Exchange (BSE) sensitivity index up 44.5 points or three per cent to close at 1298.8, while the BSE national index moved up 16.4 points or two per cent to end the week at 636.4.

Brokers are still banking on a Congress (I) victory in the polls despite the assassination of Rajiv Gandhi, and feel that once this happens a Congress (I) government would rapidly push through an economic liberalisation programme.

A survey conducted early this week by the Bombay-based market research agency, Marg, for the Economic Times, said

China ready to join Bern convention

BEIJING, June 16: China has announced that it intends to join the Bern convention, the international pact governing copyright protection, by next year, a senior US trade official said today, reports AFP.

Assistant US trade representative Joseph Massey said such a move would be of vital importance to a resolution of the copyright and, in fact, the entire intellectual property protection dispute between the United States and China.

In April, Washington, identified Beijing as an unfair trading partner under its super 301 clause, citing mainly computer software piracy. It gave Beijing until November 26 to remedy the situation or face prohibitive tariffs on its imports.

"The Chinese have now told us that they intend to begin the process of adhering to the Bern convention," Massey told reporters after three days of what he called "frank, direct" talks with Beijing officials.

"It is still under consideration but they hope to accomplish it by 1992," he said, but added, "It's going to be tough for them."

Accession to the Bern convention, Massey said, would require China to change a number of regulations for copyright and computer software.

He said the United States had serious problems with China's first copyright law, enacted June 1, and new regulations for protecting computer software that are to take effect October 1.

The closer the November 26 deadline approaches without significant progress, the higher the Chinese of US retaliation, he said, calling such a step a "real possibility."

Both Koreas to reopen rice trade talks

SEOUL, June 16: South and North Korea will resume rice-for-coal talks broken off by Pyongyang that could lead to the first direct trade between the two countries, reports Reuter.

"We are going to try and start talks with the North again and hopefully working things out this time," a spokesman for the South Korean Trade and Industry Ministry said on Saturday.

Talks would be held in Hong Kong or Tokyo sometime this month.

Several rounds of negotiations have been held already but North Korea suddenly cancelled the deal last month just as South Korea's privately-owned Cheongji Trading Company had been due to ship 5,000 tonnes of rice to the North which is believed to be suffering serious food shortage.

In return North Korea's Kumgansan International Trade was to supply 30,000 tonnes of anthracite coal and 11,000 tonnes of cement in what would be the first substantial direct trade between the two countries.

"But the North turned down the shipment for several reasons and so we have the rice stacked away," the ministry spokesman said.

The North cited several reasons for the breakdown, saying the United States, which has troops based in the South,

Failure to maintain standard may foil uplift schemes

Star Economic Report

LORD and Cooperatives Minister Barrister Abdus Salam Talukdar said best utilisation of resources could ensure proper implementation of infrastructure development project. To this effect, high technical standard must be maintained, he said.

He said failure to maintain requisite technical standard in the development of infrastructures may lead to the destruction of the projects and foil the whole purpose of the schemes.

Addressing the inaugural session of the workshop on Technical Standard for Implementation of Rural Infrastructure Development Project sponsored by the Local Government Engineering Bureau (LGEB) held at NILG auditorium on Sunday, the Minister said a very high technical standard was needed for rebuilding the infrastructures along the coastal belt damaged during devastating cyclone and tidal surge of April 29.

One of the prime objectives of LGEB, the Minister noted, lies in ensuring technical standard of the works done under the infrastructure development programmes.

State Minister for LGRD and Cooperatives Kabir Hossain told the meeting that rural people's fate did not change that much despite rise in donors' assistance. He said that rural people have little control over their produced goods and inputs.

Stressing that the present government was committed to establish an exploitation-free society, the Minister said rural development at the grassroots level would be ensured under a different perspective integrating national programmes with that of the rural schemes.

Praising the role of LGEB and donor countries, he said LGEB engineers made a tremendous contribution to the development of rural infrastructures maintaining a high standard.

Mushfiqur-Rahman, Secretary, Local Government Division said people's participation in local bodies activities should be spontaneous to make the development projects meaningful to all.

He said proper preparation of pragmatic programmes should be done to achieve the maximum benefit. To this effect, we have to develop our own confidence, own mechanism and methodology, he added.

Terming LGEB as a modern, sophisticated and dynamic organisation, he said rural roads constructed by LGEB were being appreciated by all concerned. But the lapses responsible for substandard works must also be identified for taking corrective measures, he added.

Quamrul Islam Siddique, Engineering Adviser, LGEB, said proper education of technical standards is being infused among the people involved in the LGEB projects. LGEB has been able to reverse the situation in FFW programmes where 98 per cent standard completion results had already been achieved, he added.

Through offering basic training to labour contracting societies, LGEB has made a major institutional improvement and private sector people are gaining more and more in building their technical standards, Siddique said.

He said, of late World Bank has recognised the fact that we are trying hard to maintain quality standard of work. Through this, it has been adequately proved that heavy investment in infrastructure development could result in good yield, he said.

The two-day workshop is expected to be participated by 90 executive engineers, LGEB project directors, project executive engineers and others.

Keynote paper was presented by Per Bertilsson, Study Consultant and vice of thanks was given by M H Chowdhury, Superintending Engineer, LGEB.

Donors tend to give 'profile' to projects

Star Economic Report

There is a tendency among the donors to give a 'profile' to projects which creates minor or major differences between projects. The donors after do it consciously or unconsciously which cannot be always justified in the context of Bangladesh.

This was stated by Per Bertilsson, an expatriate consultant, in his keynote paper to the workshop on technical standards for implementation of rural infrastructure development projects in Dhaka on Sunday.

The workshop was attended by high government officials and representatives of the donors.

Bertilsson said variations in overall project approach or policy may be motivated but differences in technical standards and detailed implementation procedure is difficult to justify.

He said restricted flow of information outside the project framework results in parallel organisations working in isolation trying to implement similar projects.

The paper suggested that the 'technical quality' is influenced by a large number of factors throughout the implementation stages of a programme, project or scheme. High quality is after a result of a conscious and long-term effort ensuring that all major and minor quality factors have a positive influence on the end result.

He said poor quality can be a result of several factors which are substandard and have a negative impact on the end result. But in some cases, one factor may be the sole cause for poor quality although all other factors may meet the required standard, he added.

The paper suggested that a certain level of quality of work can only be achieved if all factors adhere to the defined standard for each factor.

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The council's will take place, a spokesman for the European Commission (EC) told reporters on Friday.

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M. Moyeedul Islam, Chairman, United Insurance Co. Ltd., handing over a cheque for Taka two lakh to Prime Minister Begum Khaleda Zia for PM's Relief Fund.



Printing of shoe sizes is in progress at an export-oriented shoe-making industry near Dhaka. This is phase II of the whole manufacturing process. — Star photo by Mohsin

More latitude, funds to develop projects for USSR stressed

MOSCOW, June 16: The head of Europe's Development Bank hinted today he wanted more latitude and funds to develop projects to enable the Soviet Union move towards a market economy, reports Reuter.

Jacques Attali, President of the European Bank for Reconstruction and Development (EBRD), said after talks with Soviet leader

that he felt the Kremlin's economic reforms were on the right path.

He told a news conference the Bank's operating limit within the Soviet Union was six per cent of its 10 billion ECU (11.5 billion Dollar) operating capital.

But Attali said he favoured lifting restraints on funding sooner than the 2-1/2 years provided for by its member states, "some countries have stated they would be happy if that constraint was relaxed sooner," he said.

"This decision can be taken at any time by the board of the bank in order to improve the capacity of the bank to act".

The money is already in the bank and we only need the relaxation to be in a position to move. We can only welcome any green light to go more quickly in terms of financing privatising and reforms".

He told reporters that Gorbachev had accepted an invitation to hold talks with the seven leaders after providing mass rapid assistance to the Soviet economy, last month invited Gorbachev to visit the bank's European headquarters — a move seen as trying to force the hand of the seven.

The Soviet Union is one of 41 shareholders of the recently inaugurated EBRD and Attali said its membership was critical to ensuring the success of introducing market reforms after seven decades of command economy.

Attali gave few details of his talks with Gorbachev but said he believed the reforms were proceeding well.

"I believe that the reforms under way in the Soviet Union are moving in the right direction and that it is very important now to clarify a certain number of items," he said.

"That is relations between the centre and the republics, particularly the distribution of taxes, internal convertibility of the Rouble and laws on property, enterprises and means of creating private enterprises."

Polish airline privatised

WARSAW, June 16: The Polish parliament on Friday adopted a law authorizing the privatisation of the state-owned airline Lot, the PAP news agency reported, says AFP.

Privatization of the airline was seen as indispensable if Lot was to compete with western airlines, PAP said.

Last year the company carried some 2.2 million passengers to 44 destinations in 36 countries.

Its fleet consists of seven Soviet Ilyushin-62MS, seven Tupolev-134S and three Boeing 767S. Lost in hoping to sell its Soviet-built planes and replace them with western models.

Last year the company announced it was purchasing 10 French-Italian ATR-72 aircraft, the first of which is to be delivered in July, followed by two more by the end of the year.

Nobel Economics Laureate Arthur Lewis dead

BRIDGETOWN(Barbados), June 16: Nobel Economics Laureate Sir W. Arthur Lewis, a pioneer in economic development research, died on Saturday at home in Barbados, his family announced. He was 76, reports Reuter.

Lewis died in his sleep and the exact cause was not immediately known, they said, but he had been ill for some time with several problems, including angina and circulation and kidney problems.

A state funeral is being planned on the island of St Lucia, his birthplace, for June 22.

Sir Arthur was widely recognised as an authority in the interdisciplinary field of economic growth and political and social change in developing countries. One of his 12 books, "The Theory of Economic Growth", published in 1954, has long been regarded as the seminal work in the field.

He published more than 80 articles and monographs and was awarded honorary degrees from 30 institutions. In 1963 he was knighted by Queen Elizabeth.

He shared a Nobel Prize in 1979 with American economist Theodore Schultz "for their pioneering research into economic development research with particular consideration of the problems of developing countries."

He was most recently

Raw Jute

June - 16

White	Tossa	Meshta
Medium 1313	1420	1125
Bot. (B) 1259	1367	1098
Bot. (C) 1125	1206	1045
Bot. (X) 991	1045	857

* FOB = Freight on board
* Bot. = Bottom

Exchange Rates

June - 16

SELLING AND BUYING RATES, offered by Commercial Bank for Bank Cheques, (BC) and Overseas Drafts (OD)

One Unit of Foreign Currencies (FC) for Taka	Selling	Buying
US Dollar	35.9226	35.4432
UK Pound Sterling	58.6185	57.9131
German Deutsche	20.9192	19.7400
Marj		
French Franc	5.8914	5.8108
Saudi Ryal	9.9101	9.4819
Dutch Guilders	17.7659	17.5201
Pakistan Rupee	1.4840	1.4700
(AMU)		
Singapore Dollar	20.1348	19.8651
UAE Dirham	9.8141	9.6831
Kuwait Dinar		Not available
Indian Rupee		
AMU	1.9975	1.6812
S. Kroner	5.5423	5.4667

*AMI-Asian Monetary Union

SECONDARY EXCHANGE MARKET

Wage Earners Fund/Export Performance Benefit (XPB) Fund	Buying	Selling
US Dollar	36.48	36.63
UK Pound	59.55	59.60

* The rates of Pound Sterling are decided every day, based on the cross-rates of New York market

Source: Sonali Bank

Gold & Silver

June - 16

(Taka for 11.66 grams)

Gold	6,900.00
Silver	200.00

Source: Department of Agricultural Marketing

Hides & Skin

(Wet/Salted)

June - 16

(Taka per 100 pieces)

Cow	9,000.00	10,000.00
Buff	17,800.00	20,000.00
Light	25,000.00	30,000.00
Medium	40,000.00	42,000.00
Heavy	45,000.00	55,000.00
Very heavy	45,000.00	55,000.00
Rejected	14,000.00	15,000.00

Big & heavy 8,000.00 - 9,000.00

Light & Medium 4,500.00 - 5,000.00

Rejected 2,000.00 - 2,500.00

Sheep 7,000.00 - 7,500.00

Buffalo 80,000.00 - 55,000.00

Source: Department of Agricultural Marketing

Snippets

World will depend more on OPEC oil

EDINBURGH, June 16: The world will depend increasingly on OPEC oil in future years because prospecting cannot keep pace with growing demand, senior oil executives attending an energy conference here said on Thursday, reports Reuter.

"I have to say that the big new oil provinces which 20 years ago we expected to find in abundance are simply not there," said John Collins, Chairman and Chief Executive of Shell UK Ltd.

A study by international business consultancy Ernst and Young estimated the world outside the former east bloc countries would need an extra five to eight million barrels per day (BPD) of oil to satisfy consumption approaching 58 to 61 million barrels per day, reports Reuter.

Thai traders warned of soaring prices

BANGKOK, June 16: Thai rice traders have warned of soaring domestic prices of the commodity due to hoarding as huge orders roll in from Iran and Brazil, the Bangkok Post reported Saturday, adds AFP.

Iran is negotiating to buy 90,000 metric tonnes of high-quality rice, the English-language daily said, quoting industry sources as saying prices on the domestic market had soared amid reports of the deal.

Kenyan coffee market firmer

NAIROBI, June 16: A total of 38,967 bags of Kenyan coffee were offered for sale to markets at Nairobi's weekly auction and all were sold for an average price of 2,688.564 Kenyan Pounds (1,918.31 US Dollars) per ton, reports AFP.

The market was a little firmer, but with no difference in price between the various qualities.

To date, 1.23 million bags (73,857 tons) have been sold to all markets at an overall gross average price of 2,375 Kenyan Pounds (1,696.42 US Dollars) per ton.

Foreign banks' lending in Japan falls

TOKYO, June 16: Outstanding commercial lending by 88 foreign banks in Japan fell by 110 billion Yen to 8.16 trillion Yen at end-May from April, banking sources said, reports Reuter.

Outstanding loans were 6.35 trillion Yen in May last year.

"We can't judge the clear direction of foreign bank lending at the moment due to small changes in the figures," one banker said.

Non-bank credit firms and real estate firms have been relatively keen on borrowing from foreign banks, they said.

Logging operations in Malaysia exceed limit

KUALA LUMPUR, June 16: Logging operations in four states in peninsular Malaysia have exceeded limits set by the national forestry council, Primary Industries Minister Lim Keng Yik said today, reports AFP.

To compensate, Kuala Lumpur has asked the state to reduce the volume of logging under the sixth Malaysia plan (1991 to 1995), he said.

He did not name the states but sources said they were northeastern Kelantan and Pahang, southern Johore, and central Selangor.

Woman wins \$1.3m slot machine

LAS VEGAS, June 16: A department store worker, on her first gambling fling in Las Vegas, won a slot machine jackpot of almost 1.3 million Dollars on Friday after spending three Dollars, reports Reuter.

"I will use the money to buy a better house and I don't plan to stop working," said Harlyn couch, 45, of Springfield, Massachusetts. Her jackpot was 1,281,126 Dollars.

Her jackpot was the biggest ever paid on a 25-cent slot machine, according to international game technology, the company which runs the slot machine system.

China fixes hotel rates to halt prices

BEIJING, June 16: China has set mandatory minimum hotel room rates, including for joint-venture hotels, in an effort to halt and ongoing price war, the China Daily reported yesterday, says AFP.

The rates, set by the state price bureau and the state tourism association, go into effect July 15, the newspaper said. Violators will be penalized.

Minimum rates for a standard room in hotels were set at 60 Dollars in a five star hotel, 50 Dollars in a four star, 35 Dollars in a three star, 25 Dollars in a two star and no less than 12 Dollars at a one star hotel.