

100 contracts signed for rebuilding Kuwait

DAHRAN, Mar 1: Kuwait has signed rebuilding contracts with 100 companies all over the world in an effort to fully start reconstruction of the war-torn country within two years, a government official said here yesterday, reports Xinhua.

Kuwait's overseas funds will be used first to help people in repairing and rebuilding residences damaged in the Gulf war, Kuwait's Deputy Assistant of Finance Ministry, Jamil Dabusi, told reporters here.

According to media official in Dahrhan, Hassan Al-Saneed, Kuwait government has planned to use 50 to 70 billion US dollars to rebuild its country.

The government has also said a series of programmes for its citizens abroad to return their motherland within three months.

Asians trying to get contracts

AFP from Kuwait adds: Many Asian and European firms are already gearing up to vie with

US companies for a share of the tens of billions of Dollars to be spent in rebuilding Kuwait following the end of the Gulf war with Iraq.

US and British firms have gotten off to a head start in the new battle for Kuwait, this time involving a five-year rehabilitation and reconstruction projects that might cost something on the order of an astronomical 100 billion Dollars.

British complained earlier this month that its companies had not received a fair share of the initial deals.

The US and British forces were the biggest components of the allied coalition that just brought Iraq to its knees and liberated Kuwait, the scene of vast devastation during the six-week Gulf conflict. But the French also contributed a sizeable contingent, and French contractors and manufacturers are getting ready to play catch-up in winning Kuwaiti contracts.

There are two different views on the French scene, as

Francois Perigot, President of the main employers organization (CNPF), said Wednesday evening that French business leaders had missed the bus on reconstruction of Kuwait, but his organization is working on a plan for a French presence in Kuwait, in rebuilding.

But Economics and Finance Minister Pierre Bregovoy took a different tack Thursday morning, telling his weekly press briefing that the real reconstruction contracts have not yet been signed and France will have a strong presence in the long rebuilding effort.

He said reports that the United States was making off with the lion's share were very premature.

European firms

AFP from Paris adds: French contractors and industrialists are gearing up for the second battle for Kuwait, seeking to catch up with their American and British rivals who got off to a head-start in the race for a share in rebuilding the oil-rich Emirate.

As a partner in the United States-led military coalition which has just driven the forces of Iraqi President Saddam Hussein out of Kuwait, France clearly expects to land its due share of the contracts.

But French industrial leaders foresee stiff competition, not only from US and Western European groups, but from Japan, South Korea and other Asian countries, too, that did not join the military effort to oust the Iraqi army from the Emirate.

"Japanese corporations are sometimes hard to get around," one French executive conceded, adding that Japanese and Korean groups had been French contractors' main rivals in the Gulf in the past.

The Japanese may seek to compensate for their military absence by offering attractive financing, he said, noting that Japan has pledged cash in support for the allied military operations.



Ferrying 'Black Soaps': This woman earns her livelihood through door to door sale of black soaps (kalo shaban). Manufactured indigenously from wastes of soap factories, these soaps are used for cleaning dishes and jugs.

—Star photo

Dhaka-Tokyo sign accord to avoid double taxation

Bangladesh and Japan signed Thursday the convention for avoidance of double taxation and the prevention of fiscal evasion with regard to taxes on income, reports BSS.

Mr. Nurul Hossain Khan, Secretary Internal Resources Division and Chairman of National Board of Revenue and Mr. Takeo Iguchi, Ambassador of Japan to Bangladesh signed the convention on behalf of their respective governments.

The signing of the tax treaty will strengthen the economic relations between the two countries and is expected to promote Japanese private-sector investment in Bangladesh.

The treaty will provide individuals and companies of both the countries with better conditions for taxation on income since there will be mutual exemption or reduction of tax for shipping and airlines. The treaty provides for reduction or withholding tax on interest, dividend and royalties.

There will be a special provision which stipulates that special incentive measures designed to promote economic development in Bangladesh will be allowed as a credit against Japanese tax.

Snippets

Oil prices fall back

SINGAPORE, Mar 1: Oil prices in Singapore were marginally up Thursday but would fall back to pre-Gulf crisis levels, traders said, reports AFP.

North Sea Brent was traded at around 17.93, up 70 cents from Wednesday while West Texas Intermediate (WTI) was taken at 18.86, up 49 cents a barrel.

One trader said the market "is no longer affected by war premiums," predicting that once the refineries, either destroyed or forced to close down during the war, resume operations prices would slip.

Tokyo share prices up

TOKYO, Mar 1: Share prices rebounded strongly on the Tokyo Stock Exchange Thursday with investors encouraged by signs of the Gulf war ending shortly, reports AFP.

The 225-issue Nikkei Stock average closed 314.97 Yen or 1.2 percent higher at 26,409.22 Yen. It was a 188.71 Yen loser on Wednesday.

The broader-based Tokyo Stock Price Index of all issues ended 24.95 points higher at 1,960.32. First section turnover swelled from Wednesday's 533.17 million shares to an estimated one billion.

British jumbo jet destroyed

LONDON, Mar 1: The British Airways jumbo jet that was stranded in Kuwait by the Iraqi invasion has been destroyed, the airline said Thursday, reports AP.

The older model Boeing 747, shown in news pictures of Kuwait, "appears to have been destroyed during the airport battle the night before last," said a British Airways spokesman who requested anonymity.

"If you'd seen the newscasts you'll see there's no way that will be fixed. There is just a tangled twist of metal," he said.

Japan suspends aid talks with Thailand

TOKYO, Mar 1: The Japanese government has decided to temporarily suspend talks on new Yen loans to Thailand following a military coup in the country Saturday, reports AFP.

"Japan has not frozen new projects, but it will take a careful stance in consideration of various factors," a Foreign Ministry official said on Thursday, adding that loans and grants already pledged would be disbursed on schedule.

War cost airlines one billion dollars

GENEVA, Mar 1: The Gulf crisis cost airlines an estimated one billion dollars in January, the International Air Transport Association said Thursday, reports AP.

The industry association said scheduled air traffic was 12 percent down on January 1990. It said Middle Eastern airlines suffered a 38 percent fall in traffic. European airlines witnessed a 12 percent decline and North American carriers 5 percent.

Dollar close up

NEW YORK, Mar 1: The Dollar gained ground against all other major currencies here Thursday while gold staged a strong rally, reports AFP.

The Greenback traded at 132.90 Yen, up from 132.10 late Wednesday and 1.5255 Deutsche marks up from 1.5215. Early Thursday, the Dollar opened at 132.30 Yen and 1.5190 Dm.

Farm loan recovery poor

Star Economic Report

The recovery of huge overdue and outstanding loans by the Bangladesh Krishi Bank (BKB) is poor. The loanes do not seem to be responsive to the rescheduling of the bank loans, banking circle says.

The rescheduling of the bank loans was instructed by the Bangladesh Bank recently to help enable the marginal farmers pay huge outstanding loans in phases. Bangladesh Krishi Bank recovered Taka 334.68 crore after rescheduling of agricultural loans in 1988-89.

BKB also waived interest on the loans given upto the farmers to Taka 5000 in accordance with the government decision. Besides additional two per cent rebate on interest was allowed to the borrowers who paid up outstanding agricultural loans in due time.

BKB sources say interests amounting to Taka 254.43 lakh have been waived by the bank. BKB also paid rebate facility to the tune of Taka 18.33 lakh involving 21,998 borrowers in 1988-89.

Despite exemption of interest on certain categories of loans which included crop loans, the overdue and outstanding loans of BKB reached Taka 952.27 crore and Taka 2185.16 crore respectively in 1988-89. The poor recovery is an issue which is constantly embarrassing us, a BKB official says.

A banking expert says the reasons behind poor recovery of the agricultural loans are many. One of the reasons is that many loans were given to the wrong persons who misappropriated the loan money in other purposes. Some loans were given to fictitious persons, whose identities were missing while reviewing the defaulting cases. A section of dishonest bank officials and employees are involved in such cases, he says.

Other causes include the commitments by the political leaders in their recent election campaigns. Many parties pledged to waive interest on agricultural loans upto Taka

10,000 and exempt loans upto Taka 5000. This pledged led the farmers to believe that they need not to pay bank loans at all, BKB sources say.

The recovery of BKB loans declined in 1988-89 when it stood at Taka 334.84 crore as against Taka 350.89 crore in 1978-88. The disbursement of agricultural loans declined from Taka 445.09 crore in 1988-89 to Taka 420 crore in 1989-90.

BKB sources say the bank achieved highest recovery of its loans in 1986-87 when a staggering amount of Taka 584.90 crore was realised.

During the current fiscal year, BKB has taken up an ambitious plan of disbursing Taka 600 crore as agricultural loans to the marginal farmers. A uniform policy will be followed while disbursing the money so that real needy farmers get the loans. The loans will be disbursed on the basis of pass books in the current year.

UN's plea for food aid for Ethiopians

ROME, Mar 1: The United Nations appealed on Thursday for urgent food aid for six million Ethiopians suffering from severe drought and the effects of war, reports Reuter.

A statement by the UN's Rome-based World Food Programme (WFP) said the country needed more than 600,000 tonnes in emergency food relief.

"The shortfall in pledges is a dramatic situation which must be addressed immediately in order to avoid massive deaths," said WFP Executive Director James Ingram.

The agency said it also needed a hundred million Dollars to cover the cost of transporting the supplies to drought victims. In Geneva, the League of Red Cross and Red Crescent societies said on Thursday that a total of up to 13 million people in Ethiopia and Sudan face possible starvation.

"Widespread famine is imminent and will affect millions of people in each country."

Indians to retain jobs in Kuwait

NEW DELHI, Mar 1: About 170,000 Indians, who were forced to leave Kuwait following the Iraqi invasion, will be permitted to return to the Emirate as soon as the situation becomes normal, reports Xinhua.

This was stated by Kuwaiti Ambassador to India Ali Akaria Al-Ansari while talking to reporters here on Thursday, according to local press reports today.

The Ambassador said that the Indians would be taken in batches and preference would be given to para-medical staff and those working in oil installations and other important sectors.

"We have asked for Indian help in telecommunications and medical services," the Ambassador said. The Indian telecommunication department had been collaborating with Kuwait in several major projects.

Referring to the post-war scenario in the region, Al-

Ansari said the United States and its allies would withdraw once peace was completely restored.

However, peace-keeping forces would be stationed in Kuwait to protect its integrity and sovereignty.

The Ambassador said, "Kuwait would have to spend more money on defense to safeguard the country's integrity. We were peace-loving people and invested less than 10 per cent of our income on defense."

India to import Soviet crude

NEW DELHI, Mar 1: India will import 4.5 million tonnes of crude and 2.65 million tonnes of petroleum products from the Soviet Union this year under an agreement signed here Thursday, reports AFP.

The Soviet Union is one of India's major sources of oil, with supplies this year

Trade ban on Iraq hits 8 ESCAP states

BANGKOK, Mar 1: The Gulf war and the international trade against Iraq weakened the balance of payments of eight Asian and Pacific countries to more than seven billion Dollars, a United Nations Agency said today, reports Reuter.

The UN Economic and Social Commission for Asia and the Pacific (ESCAP) said net oil importers in the region paid almost another five billion dollars for costlier petroleum in 1990 after world crude prices soared to an average 25 Dollars per barrel after Iraq's invasion of Kuwait on August 2.

Five net oil exporters in Asia, Brunei, China, Indonesia, Iran and Malaysia, earned an additional eight billion Dollars in oil revenues last year, however.

The agency said eight most affected ESCAP member, Bangladesh, India, Pakistan, Papua New Guinea, the Philippines, South Korea, Sri Lanka and Thailand, lost nearly 1.5 billion Dollars in remittances from workers

Iraq may face serious food shortage this year

WASHINGTON, Mar 1: Recent massive allied bombing of Iraq will cause logistical problems that may result in serious food shortages for the Iraqi people this year, according to a US Congressional report released on Thursday, says Reuter.

Even if Iraq has a bumper grain crop in May-June, limited availability of fuel and other infrastructure would severely hamper harvesting, processing and distribution, said the report by Susan Epstein of the Congressional Research Service.

"So while the yield could be ample in the fields, the people now seem likely to face serious food needs this year due to logistical problems," the report added.

Iraq was set to harvest a bigger grain crop this year than the 800,000 tonnes reaped last year because of an order by President Saddam Hussein mandating an 80 per

cent increase in planting area, it said.

US officials had discussed and were studying the post-war food needs of Iraq and Kuwait. The Bush Administration is considering how the United States should respond, the report added.

"Officials say, however, that the possibility exists under the PL 480 programme for US food aid to be designated there after the war, although a supplementary appropriation likely would be necessary," it said.

Iraq is self-sufficient in dates and vegetables and produces a significant amount of wheat, barley, corn and rice.

In recent years, the United States has been the largest supplier of agricultural goods to Iraq, providing between 25 and 30 per cent of its needs. Most of the commodities were exported to Iraq under American agricultural credit programmes.

Since its occupation of

Kuwait, Baghdad has defaulted on loans taken from banks to buy US farm produce. The US Agriculture Department, as guarantor, has started paying millions of Dollars to banks with claims against Iraq.

The report said early allied bombings caused power failures in many urban areas and resulted in the loss of much perishable foods like frozen meat and refrigerated produce.

The US embargo against Iraq also had caused supplies of vegetable oil, sugar, tea, milk, eggs and wheat to dry up as evidenced either in their rationing or high prices, it said.

"It is estimated Iraqi government-held rice supplies were short by February as of mid-February, the supply of dairy products, especially powdered milk, had been nearly depleted," the report added.

Highly inflated prices also indicated food was scarce.

Egyptian tourist guides smile again

LUXOR (Egypt), Mar 1: Tourist guides are smartening themselves up and smiling again amid the deserted splendour of Egypt's valley of the kings the Gulf war is over and foreign visitors should soon be flocking back, reports Reuter.

Al-Naggar, who has been idling away recent months by lying in the sun, greeted the latest news from the Gulf with relief.

"Where crowds of tourists once chattered excitedly and clicked away with cameras, only starving stray dogs disturbed the silence."

"I do not even get 50 people. We used to have two or three thousand tourists here every day," said Al-Naggar.

Most of the tombs of the Pharaohs Kings, including Tutankhamun, were closed by the government because it feared they could be damaged in protest against Egypt's role in the Gulf war.

main Arab ally for a decade, over Baghdad's occupation of Kuwait and sent 35,000 troops to join the U. S.-led coalition forces.

Luxor, situated across the Nile river from the Valley of Kings, usually bustles with tourists. But as the war ended, it looked like a ghost town, apart from a few Egyptian tourists and some American pilots on leave from the Gulf.

Nearly 200 cruise ships lay idle along the banks of the Nile, tourist coaches gathered dust in side streets, and shops in the bazaar were shut.

But reports of an end to the shooting in the Gulf spurred hope among tourist agents that westerners would start returning to Egypt.

"I have reservations for March which are not cancelled yet, I think, and pray to God, they will come after Iraq's defeat," said a tourist agency owner.

Italian bank gave illegal loan to Iraq?

WASHINGTON, Mar 1: Attorney General Dick Thornburgh announced Thursday the indictment of the former manager of the Atlanta branch of an Italian bank on charges of making more than 4 billion Dollars of unauthorized loans to Iraq, reports AP.

Christopher Drogoul, 41, former manager of the Atlanta branch of the Banca Nazionale del Lavoro, was indicted along with two other former bank employees on charges of conspiring with four Iraqi officials to arrange the loans.

The indictment capped an 18-month investigation into the operation of the Atlanta branch of BNL.

Thornburgh said the probe is continuing to determine how much of the money was used to help Iraq obtain military equipment from this country in violation of export laws.

Kuwaiti oil wells may burn for a year

LONDON, Mar 1: Kuwait's blazing oil wells, posing a daunting challenge to firefighters, may still be belching smoke from the desert beyond the end of the year, experts say, reports Reuter.

"There aren't too many skilled companies capable of handling this kind of work," said a Houston spokesman for a firm of oil industry firefighters. "We'll be there for a year or so."

An expert crew can take anything from one to six weeks to put out an oil fire. Only about 10 such crews may be available worldwide. The US military says some 500 wells are on fire.

"Try the sums on the back of an envelope," said Geoff Pyne, a London-based energy economist.

Legendary Texan oil firefighter Red Adair, 76, heads one of the firms going to tackle the fires.

Market Prices of Listed Shares and Debentures with Dhaka Stock Exchange.

At the close of trading on February 20* and February 28, 1991.

Company	EV/ML*	February		High	Low
		20	28		
BANKS (Ten)					
AL Baraka Bank	1000/1	966.00	960.00	1135.00	980.00
AB Bank	100/5	140.00	140.00	255.00	135.00
City Bank	100/5	195.00	204.00	240.00	160.00
IFLC	100/5	143.12	46.00	235.00	140.00
Islami Bank	1000/1	1020.00	1020.00	1122.00	925.00
National Bank	100/5	109.00	112.00	145.00	101.00
Pupali Bank	100/5	95.00	96.00	115.00	90.00
Rupali Bank	100/10	8500	87.00	130.00	75.00
U.C.B.L.	100/5	130.00	130.00	155.00	130.00
Utara Bank	100/5	209.00	209.00	240.00	
INVESTMENT (Eight)					
ICB	100/5	90.00	90.00	100.00	90.00
1st ICB Fund	100/5	40900	405.00	575.00	450.00
2nd ICB Fund	100/5	175.00	175.00	220.00	170.00
3rd ICB Fund	100/5	150.00	153.00	173.00	143.00
4th ICB Fund	100/10	139.00	144.00	161.00	133.00
5th ICB Fund	100/10	121.00	122.50	142.00	115.00
6th ICB Fund	100/10	88.00	89.89	104.00	85.00
ICB Unit Cert.					
Sales Price		126.00	126.00		
Re-purchase		121.00	121.00		
INSURANCE (Four)					
BCIC	100/10	104.67	105.00	115.00	104.00
Green Delta	100/10	10500	106.00	122.00	104.50
Peoples	100/10	109.00AL	108.00AL	110.00	108.00
United	100/10	109.50AL	109.95AL	116.00	105.00
ENGINEERING (Nineteen)					
Alrah Automobiles	100/5	194150	194.00	232.00	194.00
Atlas Bangladesh	1050	39.14	40.00	48.00	35.50
Aziz Pipes	100/5	218.00	220.00	250.00	180.00
Bangladesh Auto-cars	100/5	115.00	113.00	157.00	114.00
Bangladesh Lamps	100/5	230.00	230.00	365	230.00
B.Thal Aluminium	100/10	82.50	85.00AL	75.00	82.00
Bengal Carbide	100/5	400.00	400.00	400.00	320.00
Bengal Steel	10/50	18.00	18.00		
Eastern Cables	100/5	90.00	89.00	110.00	78.00
Howlader PVC	100/10	115.00	120.00	450.00	103.00
Karim Pipe	100/5	116.00	115.00	99.00	115.00
Metalex Corp.	100/5	75.87	75.00	112.00	77.00
Monno Staffers	100/5	250.00	250.00	139.00	250.00
Monno Jute	100/5	400.00	400.00	113.00	
National Tubes	100/10	115.50	120.00	258.00	102.00
Panther Steel	10/50	6.00	6.00		
Quasem Droyels	100/5	82.50	85.00AL	111.00	90.00
Reinck Jajneswar	100/5	56.00	65.00	75.00	42.00
Singer Bangladesh	100/5	1150.00	1150.00	1150.00	1150.00
FOOD & ALLIED (Twenty one)					
AB Biscuit	100/5	200.00	200.00	290.00	200.00
Alpha Tobacco	10/50</				