

# DThe Baily Star DUSINESS



#### ADB announces changes in lending rates

MANILA, July 2: The Asian Development Bank (ADB) an nounced changes in lending rates for its multi-currency and US dollar loans for the second half of 1994, reports Reuter

From July 1 to December 31, the rate on multi-currency loans was trimmed to 6.21 per cent per annum from 6.26 per cent. Rates for US dollar loans were raised slightly to 6.68 per cent per annum from 6.67 per cent. a bank statement

The lending rate is determined by adding a spread. which currently stands at 0.4 per cent per annum, to the preceding six months average cost of the relevant pool of outstanding ADB borrowings established to fund such loans.

The interest rates on both loan facilities are adjusted every January 1 and July 1 of each year.

The ADB has been offering borrowers the choice of either traditional multi-currency loans for US dollar loans since July 1, 1992.

#### Liquidators seek \$55m from **BCCI** lawyers

WASHINGTON, July 2: BC-CI's liquidators are suing Clark Clifford, Robert Altman and 15 other lawyers for 55 million dollars alleging conflict of interest in their dealings with the failed international bank. according to a published report, reports AP.

The lawsuit, filed in US District Court, seeks to recover allegedly "illicit benefits" that Clifford and Altman received, including 6 million dollars in legal fees paid to them and 9 million dollar from other business dealings with the Bank of Credit and Commerce International, The Washington Post reported Saturday.

Altman and Clifford were charged with misleading bank regulators by denying that BCCI had any connection to First American Bankshares Inc., a Washington-based holding company that was illegally owned by BCCI. Altman was acquitted and Clifford, who was not tried because of his advanced age and ill health, said he was innocent, too.

The liquidators, a court-appointed group of lawyers and accountants, are trying to recover some of the lost money from the bank to pay back depositors. The legal deadline for filing civil lawsuits against **BCCI** is Tuesday.

The lawsuit alleges Clifford and Altman reaped the 9 million dollars windfall through "lucrative insider stock trans actions and other beneficial financial arrangements." the Post reported.

It said neither Clifford nor Altman could be reached for comment on Friday. Clifford has been an adviser to presi dents since the Truman administration and served as secretary of defence. Altman is his protege.

#### China controls prices of some farm products

BEIJING, July 2: An official newspaper said Saturday that China has controlled the prices of some farm products by restricting exports, even as the government pledged itself to free trade principles at talks in Geneva, reports AP.

The China Daily said the government helped raise the price of garlic 66 per cent by allowing only 16 firms to export it instead of more than 1,000 firms a year ago.

The restricted licence system is already applied to four farm products, including garlic, and expanding the system is a "top priority" in China's foreign trade policy, the paper

It complained that China had suffered "heavy losses" because competition between exporters gave foreign buyers

the lowest possible price. But the restrictions are an

example of the kind of trade barriers that disturb the United States and other major trading partners of China.

At meeting in Geneva that ended Friday, Beijing made a strong push to enter the General Agreement on Tariffs and Trade, the world body that promotes free trade.

China says it has made progress in developing an open market economy. But the United States, the European Union and other nations remain cautious about Beijing's GATT bid.

GATT generally frowns on such controls.

# Salam calls for smooth disbursement of credits

Minister for LGRD and Cooperatives Abdus Salam Talukder yesterday stressed the need for efficient management" in the cooperative sector and urged all concerned to be more sincere to make it a successful movement in the greater national interest, reports BSS.

"Your initiative in the cooperative sector will be successful when you will take it up with full faith," he said while addressing the cooperators at the Samabaya Sadan in the city to mark the 72nd International Cooperative Day.

With President of Bangladesh Jatiya Samabaya Union Salahuddin Ahmad, MP, in the chair, the function was also addressed, among others, by State Minister for Planning and Chairman of Jatiya Samabaya Bank Dr Abdul Moyeen Khan, Registrar of Cooperatives Azizul Huq Bhuiyan, Director of Samabaya Bank Afsar Ahmad Siddique and Chairman of Mahila Samabaya Union

TOKYO, July 2: The yen

ended another record-shatter-

ing week amid fresh signs that

the German monetary authori-

ties joined the Bank of Japan

against the Japanese currency.

reports AFP.

lions of dollars.

monthly figure.

markets.

propping up the dollar

The finance ministry indi-

cated meanwhile that Japan's

recent intervention to halt the

yen's surge amounted to bil-

reserves rose 4.56 billion dol-

lars in June to a record 111.46

billion dollars by Thursday, the

ministry said. As usual, how-

ever, the ministry declined to

comment on the change in the

on Friday, the dollar hit yet

another post-War low of 97.68

yen before rebounding sharply

early trading in Frankfurt,

amid rumours that the

Bundesbank intervened or at

least requested rates in Asian

But dealers in Tokyo said

the dollar's late recovery partly

reflected short-covering ahead

of Monday's holiday in the

United States and next week's

summit of the Group of Seven

week's summit should be lim-

ited but we see the yen slowly

testing new highs," a dealer at

Seiichiro Takahashi, chief

dealer with Sumitomo Bank

Ltd, noted that the dollar had

fallen a hefty seven yen in only

three weeks. "I don't think the

"The range ahead of next

(G-7) countries in Naples.

a Japanese City Bank said.

The dollar rose further in

to close at 98.78 yen.

In heavy trading in Tokyo

Japan's foreign exchange

Begum K J Hamida Khanom.

Besides, presidents and general secretaries of different samabaya unions, cooperators, senior government officials and Director of the Cooperative Marketing Society were present on the occasion.

Abdus Salam Talukder said the cooperative sector was in a ramshackle condition before the present government came to power. "The Milk Vita never saw profit before BNP came to power. But, this unit saw a tremendous profit during the last three years because of the management effictency," he said.

Talukder also said that the Milk Vita unit would be further modernised alongwith more facilities for its marketing and other units of the cooperatives would be gradually made operational in phases.

Speaking about the credit scheme of the cooperative sector, the LGRD Minister called for a smooth system in

Harunur Rashid Monno, Chairman of Monno Group of Industries, received a death

settlement cheque on behalf of Group Insurance policy holder late Masud from the Managing

Japanese currency ends another

record shattering week

trend has changed, but the

market seems to have taken a

earlier encouraged to buy the

yen following reports that US

Treasury Secretary Lloyd

Bentsen had giving few indica-

tions of central bank support

for the dollar in comments

Tomiichi Murayama pledged

"utmost efforts" to stabilise

currencies, saving he hoped

the G-7 would address the is-

markets are not desirable for

any country," the new Socialist

Prime Minister told an inaugu-

ral news conference.

"Fluctuations in currency

"We must make utmost ef-

forts to stabilise exchange

rates," he said. "We will soon

**BCIC** reduces

urea price

tries Corporation reduced the

price of urea by Tk 350 per

metric ton from July 1

buyers can purchase the fertil-

izer at Tk 3.725 per ton, down

from the previous price of Tk

BCIC factories — Jamuna

Fertilizer Factory at Tarakandi

in Jamalpur, Chittagong Urea

Factory, Zia Fertilizer Factory,

Ashugani Urea Fertilizer Fac-

tory. Polash Urea Fertilizer

Factory, Natural Gas Fertilizer

Factory at Fenchugani.

reports UNB.

4075 per ton.

Bangladesh Chemical Indus-

BCIC sources said now the

Urea is produced in six

Japan's Prime Minister

Dealers said the market was

Director of the National Life Insurance Co. Ltd Rezaul Hakim in the city recently.

rest," he said.

overnight.

distribution of credits among the cooperators for various purposes.

Dr. Abdul Moyeen Khan said the Samabaya Bank sanctioned credit amounting to Taka 3.78 crore to cooperators during the last fiscal year. The realisation of loan from the cooperators during the same period was Taka 3.95 crore," he said, adding that no credit was given to any defaulter last year.

Dr Khan referred to the exemption of interest on loans in the agriculture sector and hoped that it would also be applicable in case of the loanees in the cooperative sector. The State Minister referred

to some closed ventures of the cooperative sector and said these would be relaunched as soon as possible. The day is being observed

in Bangladesh as a mark of consolidating the international brotherhood among about 70 crore cooperators all over the

hold the summit, and making

use of such an opportunity.

countries should work to-

gether, aiming at stability in

Earlier Friday, the new

the market as much possible.

Conservative-dominated three-

party cabinet appointed by

Murayama Thursday held an

informal meeting to confirm

its determination to halt the

Japanese currency's latest

Takemura said he could not

comment on reports that

Bentsen had said overnight

that a reduction in Japan's of-

ficial discount rate would help

curb the yen's rise against the

dollar. The discount rate has

been at a record low of 1.75

per cent since September last

as saying that Japan might ask

the other G-7 nations - the

United States, Germany,

France, Britain, Italy and

Canada — to mention currency

rates in their economic state-.

happens to appreciate alone

against the dollar and other

currencies," he said in an in-

terview with Kyodo news ser-

called for before the summit

but we don't have any at the

moment," the new Finance

Minister reportedly said. "The

only answer now is appropriate

and timely actions including

market intervention and basi-

cally I want to exchange views

seriously for international co-

operation."

"Some quick measures are

"We will ask for it if the yen

ment to be issued in Naples.

Takemura was later quoted

Finance Minister Masayoshi

record-breaking advance.

#### \$146.8m WB loan for road dev

WASHINGTON, July 2: The World Bank has approved a 146.8 million dollar credit for maintaining, repairing and widening roads in Western Bangladesh, reports AP.

An announcement said the loan would finance the major portion of the country's 1994-98 master plan for roads west of the Jamuna River, which splits Bangladesh into western and eastern regions.

The Bangladesh govern ment will contribute more than 96 million dollars and Britain's Overseas Development Administration 8.8 million dollars to the programme. It covers rehabilitating 100 miles (168 kilometers), widening 60 miles (100 km) and periodic maintenance of about 1,100 miles (1,800 km) of national, regional and feeder roadways, the announcement

The 40-year World Bank loan is provided by the International Development Association, which makes low-interest loans to the poorest countries.

## Livestock growth rate may be over 6 pc

The annual growth rate in the livestock sector is expected to be more than six per cent in 1994-95 fiscal year, reports UNB.

This was disclosed by the Head of Socio-Economic Research Division of Bangladesh Livestock Research Institute Dr Jahangir Alam, at a seminar on 'livestock and fisheries development in Bangladesh' held here on last Wednesday.

The growth rate has increased from 2.2 per cent to 3.6 per cent during the fiscal years 1990-91 and 1991-92. and it further increased to about five per cent in 1992-93. said the scientists in a keynote presented at the seminar. Highlighting recent growth

rate of livestock sub-sector, he expressed the optimism that high investment in the sector is likely to accelerate the growth rate of the nation's gross domestic product (GDP)

Encouraged by the positive measures taken by the government, about 11,000 new dairy farms have been estab-

lished in the recent years under private initiative, he ob-

These farms are producing about 1.5 million metric tens of milk annually. Dr Jahangir said, adding "moreover, dependence on imported powder milk has declined by 42 per cent in the last four years since 1990-91."

The paper further said that about 31,000 private poultry farms have been set up in different parts of the country and these farms are contributing about 220 crore eggs annually.

Referring to acute shortage of milk, meat and egg in the country due to poor quality of livestock species available in Bangladesh, he said that cur rent milk production in the country is about 221 kg per cow per year as against 4920 kg in Denmark and 5377 kg in the USA.

Average meat production of a native cattle is about 50 kg per animal against 224 kg in Denmark and 271 kg in the

told the meeting that

Bangladeshi and foreign en-

trepreneurs could obtain EC

ing sectors. He urged all to

Latifur Rahman, President

of the MCCI, apprised the par-

ticipants about the investment

opportunities in Bangladesh

both in single or join venture.

He expressed his firm faith in

bright future of the country

following liberalisation of the

venture in Bangladesh is pay-

ing dividend which indicates

about the current economic

and business climate in

ter of Bangladesh High Co-

mmission, outlined the eco-

nomic and investment facili-

ties offered by the government

in Bangladesh making it easier

for one to do business in the

ucts, ranging from electronic

goods like VCR, TV, calculator,

frozen food, engineering prod-

ucts, consumer goods, leather

goods, handicrafts, handloom

products like nakshikatha

artistes are also participating

in cultural programmes like

Jatra, drama and dances in the

festival

A number of Bangladeshi

garments and needle works. .

country without any problems.

MM Reza, Economic Minis

He said, his own investment

credit facilities through bank-

avail these facilities.

economy.

Bangladesh.

#### ment government effort. Some Tk 2.5 lakh has been disbursed among 150 poor and destitute women.

self-employment.

Presided over by Deputy Commissioner Kazi Reazul Haq, the function was also addressed by Khulna City Corporation Mayor Sheikh Tayabur Rahman and renowned journalist Monirul Huda.

Development not

possible sans

women's

participation

Shaikh Razzak Ali said that

country's development is not

possible without the active

participation of women com-

munity as they constitute fifty

percent of total population,

present government has taken

up massive programmes for

the development of women

giving function of the poor and

destitute woman here. Social

Service Ministry has arranged

the function incooperation

with UNICEF to disburse in-

terest-free loan to the poor

and destitute women for their

He urged the voluntary or-

ganisations and affluent people

to come forward to serve the

poor and destitutes to supple-

Ali was addressing a credit

and enhance their dignity.

The Speakers said that the

reports UNB.

KHULNA, July 2: Speaker

#### DSE delists 2 companies

The Council of the Dhaka Stock Exchange has delisted Chand Textile Mills Ltd and Chand Textile (Spinning) Mills Ltd, with effect from yesterday.

The decision has been taken as per request of the said companies, says a DSE press

#### China sells 102.5b yuan of treasury bonds by June

BEIJING, July 2: China had sold 102.5 billion yuan of state treasury bonds by June 30, fulfilling this year's target, reports Xinhua.

According to information from the Ministry of Finance and the People's Bank of China, among the state treasury bonds sold, half-year and one-year bonds made up of five billion yuan-worth and 8.3 billion yuan-worth, respectively. The issues also include half-year, one-year, two-year, three-year and five-year specially designated bonds.

Treasury bond sales have been rather smooth this year. thanks to the sound economic environment and swelling personal purses, said a finance official in charge of the issue.

To cater to the demands of the general public, and with the approval of the state council, the Ministry of Finance has decided to extend all half-year and one-year state treasury bonds bought by some specialised banks to three-year

### Investment opportunities in Bangladesh discussed in UK European Commission official.

Investment opportunities in Bangladesh were discussed at a seminar on "Doing Business with Bangladesh," in East London on Friday last, reports

The seminar was organised by the London Festival of Bangladesh sponsored by two Bangladeshi restaurantuers and mediamen to promote Bangladeshi business and culture in

High Commissioner of Bangladesh, Dr AFM Yusuf presided over the seminar which was addressed by Mark Lennox-Boyd, British Foreign Office Minister for South Asia, Peter Fowler, British High Commissioner in Bangladesh, Latifur Rahman, president of the Metropolitan Chamber of Commerce and Industry, Dhaka, Dan Brewin, General Manager, British Airways, South Asia division, MM Reza, Economic Minister Bangladesh High Commission and Bruno Pragnale of European Commission Investment Personal Facilities Division.

It was attended by a number of British-Bangladesh businessmen and officials of trade and industry in Britain and media representatives.

Addressing the seminar, Dr AFM Yusuf gave a background of reforms initiated by the democratic government of Bangladesh to open the economy and facilities for foreign investment.

He said, since the establishment of democracy in 1991, the government of Prime Minister Khaleda Zia provided a stable and democratic climate, conducive to growth of industry and business in Bangladesh.

He also focused on the liberal investment and industrial policy of the government with necessary financial facilities to attract investors in Bangladesh.

The High Commissioner regretted attempts by certain quarters to portray a negative image of Bangladesh to deter foreign investment in Bangladesh.

Mark Lennox-Boyd, Minister, in charge of South Asian countries of British foreign office, expressed his satisfaction over the growth of trade between the two countries. Export to Bangladesh from Britain is rising by 38 per cent while Bangladesh export is climbing to 48 per cent. Peter Fowler, British High Commissioner in Bangladesh described the investment and

fiscal policy in Bangladesh as far more liberal in the region. Bruno Pragnale., the

#### Training course on credit management ends in Kushtia

KUSHTIA, July 2: A two-day training course on Credit Management in Small and Cottage Industries (SCI) and Working Capital Implementation ended here on Thursday, reports UNB.

Deputy Commissioner Nazrul Islam inaugurated the workshop at the National Association of Small and Cottage Industries of Bangladesh

#### A number of Bangladeshi companies and business groups, including garments, Metropolitan Chambers of Commerce and Industry and Sylhet Chamber of Commerce and Industry are participating in the festival with their prod-

(NASCIB) office.

#### Yo Yo final competition held

Major (retd) Aminul Islam. General Manager of Tabani Beverage Co Ltd inaugurated the final Yo Yo competition at Elizabeth Stage at the Ramna Park in the city on Friday, says a press release.

60 group champions from different zones of the country took part in the game .-

Rafique Islam (13) of Golapbagh became champion in the competition and won a coloured TV set. Kazi Mohammad Shamsul Alam of Mohammadpur was second while Sohel of Narayanganj secured third position in the race.

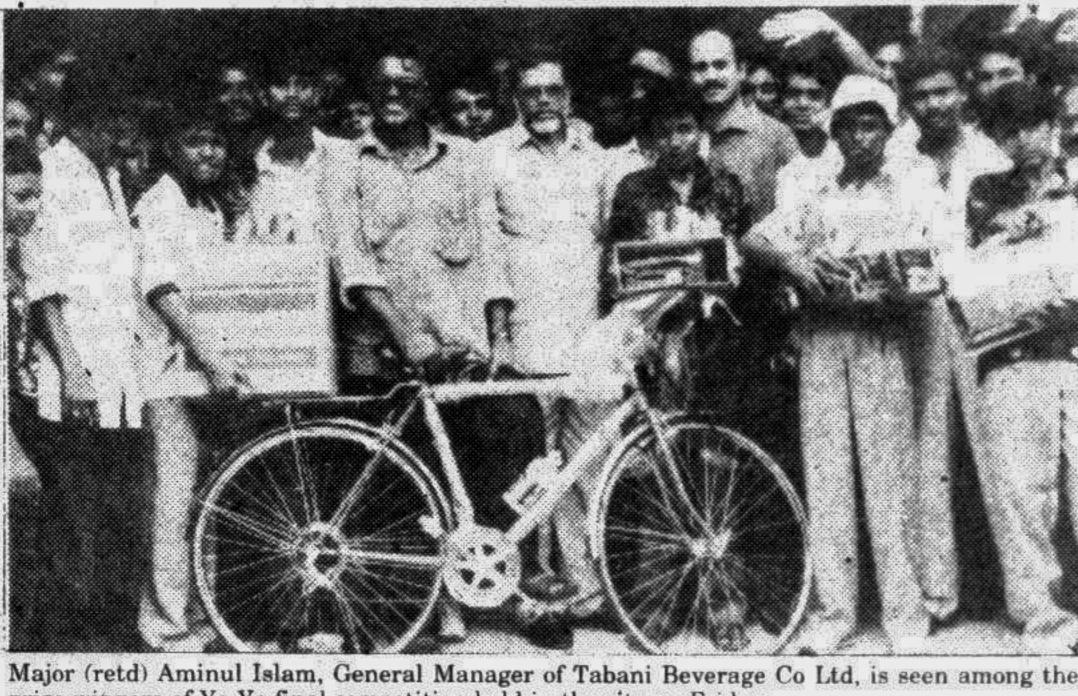
It may be mentioned that the game which began two months ago was sponsored by the world's biggest soft water manufacturer Coca Cola Com-

#### NGO programme in Jamalpur

JAMALPUR, July 2: A nongovernment organisation has taken up a programme to develop the socio-economic condition of the destitute people of the district, reports UNB.

Training programmes on fisheries, poultry farming, nakshi katha sewing, health services and adult education have aiready been taken up for these people.

Some 1018 enfisted women are taking part in the programme, organised by Gram Unnayan Kendra. After the completion of the training they will be provided with incomegenerating schemes to become self reliant in maintaining their livelihood.



prize-winners of Yo Yo final competition held in the city on Friday.

#### Fluctuation of dollar not a matter of concern: Bentsen WASHINGTON, July 2: US peated that it is important to Speaking in New York June believe current high long-term have repeatedly broken down promote domestic stimulus

Secretary of the Treasury Lloyd Bentsen says that low inflation and strong economic growth in the United States do not justify the current low level of the dollar, reports UNB.

Briefing reporters on the July 8-10 Economic Summit in Naples, Italy, Bentsen acknowledged that the low dollar is not desirable, but he said that he doesn't look at the dayto-day fluctuations as a matter of concern.

The dollar was trading at around 98.8 yen in New York late July 29. Bentsen said he was disappointed by the reaction of the market to the currency intervention by 16 central banks June 24 but re-

look at the long-term funda-Currency movements will

be part of the discussions when the leaders from the United States, Japan, Germany, France, Italy and Canada meet for their annual economic summit, but senior treasury officials made it clear that there has been no decision whether the final communique will include some specific reference to the US dollar.

"I want to repeat something I said last night in New York," Bentsen said. "I'm concerned" about the dollar ... We believe a stronger dollar is better for our economy and better for the world's economy."

28, Bentsen said: "I know there are people who think we have some strategy in Washington of driving down dollars, or using the dollar as some kind of bargaining chip. Let me say clearly - and I speak for the entire administration — this is not the case. The dollar is not a tool of our trade policy."

Bentsen, while acknowledging that he is in close consultation with Federal Reserve Board Chairman Alan Greenspan over dollar movements, refused to speculate whether US interest rates might need to go higher in order to boost the dollar's strength. He did say that he doesn't

interest rates will impede growth. "I'm encouraged by the un-

derlying fundamentals," Bentsen said. "G-7 inflation is rising at a slower rate than at any time since the early 1960s. Long-term interest rates are up because expectations of a stronger recovery have taken hold. But at this point, I don't see the rise in bond yields threatening growth."

Bentsen was less clear what the United States hoped to achieve on trade talks with Japan at the Naples summit Economic framework talks between the United States and Japan agreed to at last year's Economic Summit in Tokyo

and the resignation June 25 of Japanese Prime Minister Tust omu Hata suggests that further substantial progress may be difficult before the Naples meeting.

"I'm optimistic that over time we'll make substantial progress in opening Japan's market," the treasury secretary

Bentsen was upbeat about growth prospects throughout the G-7 countries. While US officials refrained

from their customary urgings for Germany and Japan to take further policy measures to move the global economy forward, one senior treasury offi cial added that measures to

continue to be a "healthy policy direction for Japan over the next few years. Bentsen said he expects some "further emphasis and

amplification of G-7 assistance to Russia "predicated on continued performance." Part of the summit discus-

sions will include a review of what more the international Monetary Fund (IMF) can do to expand its resources to the former Soviet Union, including the possibility of providing additional IMF reserves, called Special Drawing Rights (SDRs), to some of these countries. Many of the new IMF members have never received allocations of SDRs.