

Zahir asks KPM management to raise output, improve quality

Industries Minister A M Zahiruddin Khan has called upon the management of Karnaphuli Paper Mills (KPM) to increase production and improve quality with innovative measures for controlling cost of production, says a press release.

The call was made during the minister's visit to the mills in Chittagong on Thursday. At the mills, he saw the process of using green jute for production of pulp and papers.

KPM management briefed the minister that production of pulp industrial grade paper and converting products have already commenced at KPM using green jute.

During the current season, so far Karnaphuli Paper Mills has procured 1656 MT

(45,127 maunds) green jute and produced pulp. From the green jute-based pulp, about 100 MT industrial grade paper and 10,000 square metre of corrugated boxes & cartons of international quality has been produced.

During the visit, the minister was accompanied by A H M Abdul Hye, Secretary of Industries, Waseq al Azad, Chairman of Bangladesh Chemical Industries Corporation (BCIC), A I M Nazmul Alam, Chairman of Bangladesh Steel and Engineering Corporation (BSEC), Dr Azizur Rahman, Director (Production & Research), BCIC, M Siddiqueur Rahman, Director (Planning & Implementation), BCIC and Wares Ali, Director (Prod & Engg), BSEC.

The Industries Minister appraised the preparatory steps for installing the Globe Digester and other machinery fabricated at Chittagong Dry Dock of Bangladesh Steel and Engineering Corporation at KPM for processing green jute to produce pulp.

Karnaphuli Paper Mills, the biggest and oldest paper mill of the country, has set a target of procuring 52,500 tons (Fourteen lac thirty thousand maunds of green jute) during the current jute harvesting season from own plantation and from the farmers at the Mill gate and different green jute purchase centres of the mills.

This volume of fourteen lac thirty thousand maunds green jute will be processed for pro-

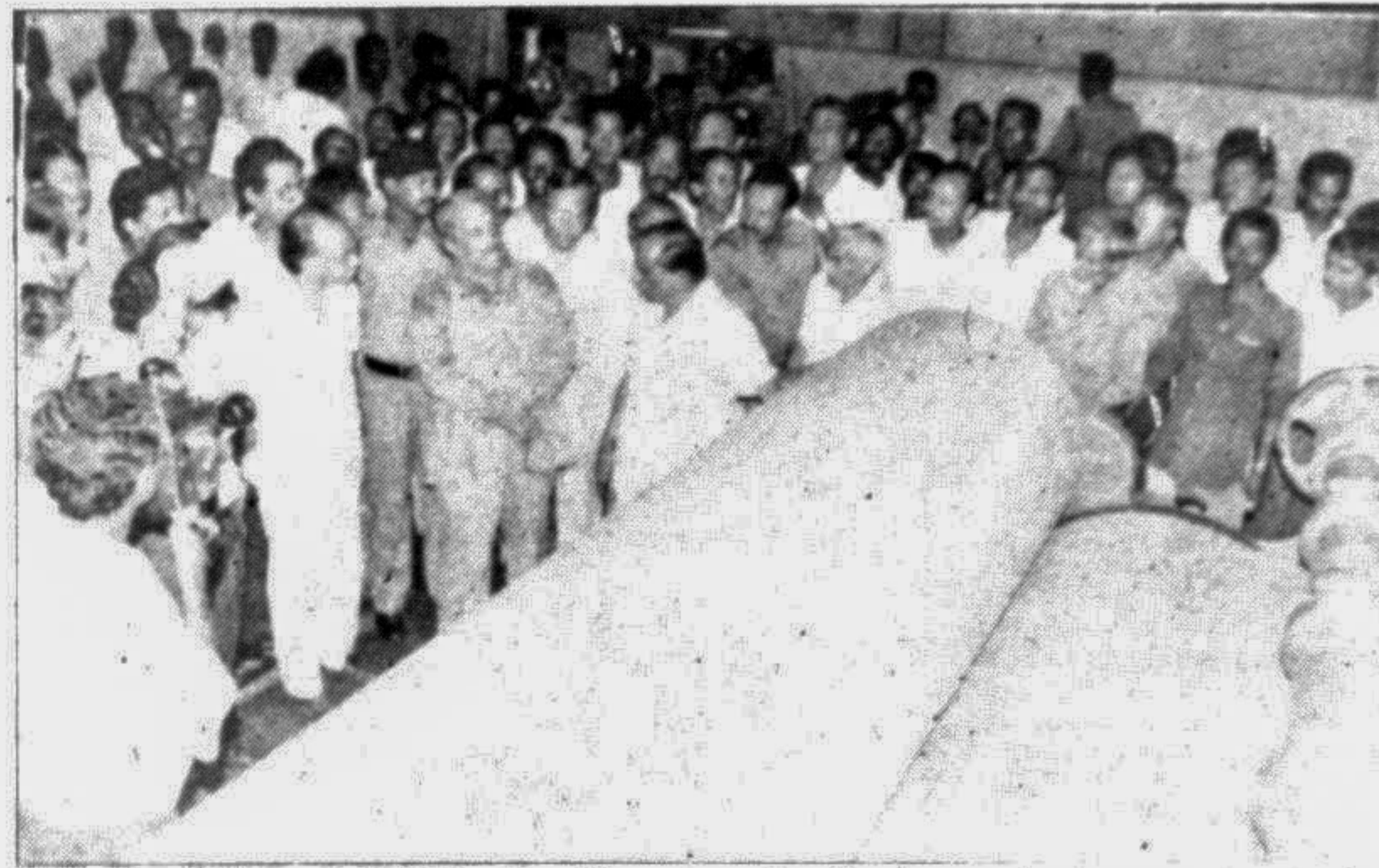
duction of 5000 MT industrial grade paper and 25,000 bales of rayon grade pulp for subsequent conversion to paper, converting products and staple fibre.

Earlier, the Industries Minister inspected the Green Jute Foundation plots of Karnaphuli Paper Mills at Kalurghat.

The Minister advised BCIC to examine the feasibility of setting up a green jute-based paper mills at Kalurghat.

The Mill has arranged plantation of green jute for 17 acres at Kalurghat and around 100 acres at the mill site and Sitapahar of Chandraghona.

It may be mentioned jute was never grown earlier on commercial scale in these regions.



Industries Minister A M Zahiruddin Khan witnessing the process of using green jute in the production of pulp and paper at Karnaphuli Paper Mills in Chittagong on Thursday. Industries Secretary A H M Abdul Hye, Waseq al Azad, Chairman of BCIC are seen among others in the picture.

Dhaka-KL jt commission meet Aug 17

A three-day meeting of the Bangladesh-Malaysia Joint Commission will begin in Kuala Lumpur on August 17 to discuss employment of more Bangladeshis in Malaysia, reports UNB.

Investment by Malaysian entrepreneurs in different development sectors of Bangladesh will also figure high in the discussion at the forthcoming JC meeting, officials in Dhaka said.

About 120,000 skilled and unskilled Bangladeshis are now working in various development projects, particularly in rubber plantations, of Malaysia, rated third richest in the region after Japan and South Korea.

"There is a great scope," says a leading businessman, "for further employment of a huge number of Bangladeshis in construction and development projects in Malaysia."

Russia, Belarus to unify monetary systems soon

MOSCOW, Aug 5: Russia and Belarus will soon unify their monetary systems, Russian Prime Minister Viktor Chernomyrdin and visiting Belarus President Alexander Lukashenko announced here on Thursday, reports Xinhua.

Russia and Belarus will finalise the preparation of the principles and mechanisms of the unification within a month, the two leaders told reporters after two and a quarter hours of talks.

Chernomyrdin stressed the need for the unification to create a single banking system, a single emission policy and, ultimately, a single approach to the solution of economic problems and the joint development of an economic development strategy.

He said Russia will adopt a flexible approach to resolve the debt problem between itself and Belarus. The Belarussian debt to Russia amounts to one trillion roubles (about 500 million US dollars).

Lukashenko, the newly-elected president of Belarus, stressed that the debt problem will be resolved successfully only if bilateral trade between the two countries is stepped up, agreement on mutual projects in the oil industry is reached and joint ventures are established.

The two leaders also told reporters that they had agreed to hasten the preparation of a full-scale treaty of friendship and cooperation.

Sharp fall in oil prices depresses Oman's GDP

MUSCAT, Aug 5: A sharp fall in prices depressed Oman's gross domestic product (GDP) by six per cent in the first quarter of 1994, an official report said Thursday, says AFP.

The GDP stood at 910.2 million riyals (2.36 billion dollars) in the first quarter, compared with 968.7 million riyals (2.52 billion dollars) over the same period in 1993, said the report by the Oman Development Council.

The GDP in the oil sector plunged by 13.7 per cent due to a decline in crude prices to an average 13 dollars a barrel, eight dollars below the minimum 21 dollar price targeted by the Organisation of Petroleum Exporting Countries.

The report showed the oil GDP stood at 364.7 million riyals (948 million dollars) in the first quarter, compared with 426.4 million riyals (1.1 billion dollars) in the first quarter of 1993.

Germany's GDP may grow by 2 pc this year

MUNICH, Aug 5: Germany's gross domestic product is expected to grow by two per cent this year and three per cent in 1995, the IFO Economics Institute said Thursday, reports AFP.

The prediction compares with forecasts by the leading institutes earlier in the year putting growth at 1.5 per cent this year — one per cent in the west and 7.5 per cent in the east.

The institute, one of Germany's six key forecasting bodies, said West German economy was expected to grow by 1.5 per cent this year and 2.5 next, while that of the east would increase by between eight and nine per cent over the next two years.

Newspaper price war in Delhi

NEW DELHI, Aug 5: The newspaper price war that media baron Rupert Murdoch began in Britain a year ago has now found its way to India, reports AP.

In the last few weeks, four newspapers have boosted their circulation by cutting newsstand prices, even though that has meant losses of thousands of rupees in revenue every day. The price war has enabled many people to afford a second daily paper in New Delhi, a city where 27 are published each day.

But the price cuts — as high as 35 per cent — may force small newspapers out of business and has promoted a judicial ombudsman to see if the price war is an unfair trade practice.

Taking the cue from Murdoch, three of New Delhi's dailies in recent weeks slashed their newsstand price from 2.30 rupees (7 cents), to 1.50 rupees (5 cents). A fourth paper, the Pioneer, cut its price from 2.30 rupees to 2 rupees (6 cents), but also urged readers in a front page ad not to switch to even-cheaper papers.

In New Delhi, commuters pay as little as 2 rupees for a

cup of tea with hefty amounts of milk and sugar.

Sales of The Times of India — which started the price war four months ago — soared by 60,000 copies to reach 235,000, according to its director, N P Singh.

Its rival, The Hindustan Times, which lowered its price two weeks ago, is already selling 24,000 more copies to reach a circulation of 365,000, says circulation manager Satish Puri.

The Indian Express gained a few thousand readers in this period, while the Pioneer, which only sells about 12,000 copies in the city a day, added a few hundred.

Newspaper managers believe the circulation increase happened because readers are now able to buy two or more papers a day.

For years, Indian newspapers have raised their prices whenever the cost of newsprint or ink rose.

But Bennett Coleman Co, which publishes five daily newspapers, including The Times of India, three out that concept.

Bennett Coleman's managing director, Samir Jain, told his executives that marketing

newspapers was no different from selling soap. To prove his point, he forced some of his editors to sell advertisements and stuff envelopes, and one of his accountants to write editorials. That prompted The Times editor-in-chief and several top editors and reporters to quit.

When Jain cut the price of The Times of India, the move irked the Delhi Newspaper Distributors Association, whose 6,000 paperboys saw their 25 per cent commission shrinking.

The paperboys, who deliver newspapers to 1.4 million homes every day, went on strike and beat up strike breakers. The boycott was called off when Bennett Coleman agreed to raise the vendors' commissions to 37 per cent. Other publishers did too.

All the newspapers plan to raise advertisement rates after a year when circulation stabilises.

Until that happens, the newspapers will continue to lose money — as much as 90 million rupees (2.9 million dollars) a year in the case of The Hindustan Times, according to Puri.

Malaysian trade body keen to invest in Bangladesh

Yohan International Overseas Group of Malaysia is keen to invest in Bangladesh, says a press release.

This was disclosed by the group during the visit of its five-member trade team to Bangladesh last February.

While in Dhaka, the Yohan group bought jute carpets and doormats worth over 11000 US dollars from Bangladesh Jute Mills Corporation (BJMC). It also purchased stoneware for about 20,000 US dollars from Bengal Fine Ceramics Ltd.

The team called on the Commerce Minister M Shamsul Islam, met officials of the Commerce Ministry and the Export Promotion Bureau (EPB).

The minister urged the team to import leather goods, vegetables, fruits, fresh and artificial flowers and tea.

There is a great demand for Bangladeshi jute carpets and ceramic products in Malaysia.

The team also signed a contract to import jute carpets and doormats from BJMC at a cost of 16000 US dollars and ceramic goods worth about 25000 US dollars from Bengal Fine Ceramics.

It also said negotiation to buy tableware from Monno Ceramic is on the final stage.

Euro Disney finds solution to financial troubles

PARIS, Aug 5: The struggling Euro Disneyland amusement park reported Wednesday that a recent rights issue to raise 5.95 billion francs (1.1 billion dollars) has been 80 per cent subscribed by the public and the parent company Walt Disney Co, reports AP.

"Given the current market conditions, and the timing of the rights issue, the company is pleased with the level of subscription and the confidence expressed by its shareholders," Euro Disney SCA said in a brief statement.

Since opening in April 1992, the theme park has been troubled by recession in Europe, lesser-than-expected attendance forcing cuts in admission prices, unfilled hotels and poor souvenir sales.

In one of the biggest capital-raising operations ever seen on the Paris Stock Exchange, Euro Disney has created nearly 600 million new shares at 10 francs (1.88 dollars) each.

The issue allowed an existing shareholder, including the Walt Disney Co, which has a 49 per cent original stake, to subscribe to seven new shares for every two held.

But the operation resulted in a massive dilution of the previously existing 170 million shares and cut Euro Disney's market share price to one-third the price before the issue.

A creditor-bank syndicate led by French banks is underwriting the issue and presumably would take up the remaining 20 per cent. However, Saudi Prince Al-Waleed bin Talal bin Abdulaziz, a nephew of King Fahd, in June agreed to act as a back-up underwriter by buying unsubscribed shares.

At the time, Euro Disney said that the Prince would acquire up to a 24 per cent stake. Euro Disney late Wednesday declined to say what stake the Prince may now hold.

UAE washed with liquidity

ABU DHABI, Aug 5: The United Arab Emirates (UAE) is washed with liquidity despite a drop in interest rates and an upswing in construction, trade and other sectors, the central bank said on Thursday, reports AFP.

Although quasi money deposits fell sharply, overall liquidity increased by nearly 3.4 per cent at the end of 1993 mainly because of a surge in money and government deposits, the bank said in a study.

General liquidity, covering total deposits and money in circulation, stood at 89.4 billion dirhams (24.3 billion dollars) at the end of 1993, it

said. "Liquidity in the UAE is considered very high as its accounts for more than half the total bank assets and the local market is relatively small," Zuhair Kaswani, a leading UAE stockbroker, told AFP.

"This is despite the fact that interest rates are still low. But what helps control any major increases in liquidity is the upsurge in several other sectors, especially stocks, trade and construction."

The UAE does not have an official stock market but shares have remained more profitable than bank deposits due to the strong performance

of most trading institutions. Most local dealers avert speculation and prefer to buy shares as a long-term investment to ensure fixed income.

Official reports showed trade and construction helped absorb part of the liquidity growing steadily since the Gulf War. They now account for nearly one third of the non-oil gross domestic product.

The growth in trade stood at 2.8 per cent in 1990 and in construction at 4.1 per cent. Their combined GDP totalled 24.8 billion dirhams (6.75 billion dollars) that year, according to the planning ministry.

US-Canada talks on salmon likely in Sept

WASHINGTON, Aug 5: US and Canadian officials have made some progress but will still be far apart on many key issues when they resume negotiations in September over the size of the salmon catch off the Pacific coast, according to a US expert, says a USIS press release.

Gary Matlock, programme management officer in the National Marine Fisheries Service, told two subcommittees of the US House of Representatives August 2 that "there are no easy solutions" to the long and increasingly bitter dispute between the two countries.

However, talks so far have laid the basis for a settlement, he said.

Harvesting the valuable salmon without wiping out the stock has been a problem for the fishers of both countries and, consequently, of their governments.

The two countries signed a treaty in 1985 that established guidelines for the salmon catch but only after 14 years of negotiations. And that treaty was not explicit on some key

questions, such as the share of the catch for the fishers of each country. The catch each year has been negotiated by the two countries but no agreement could be reached for 1994.

The Pacific Fishery Management Council, composed of US Indian, state and federal officials, said early in 1994 that drought, ocean current changes and habitat destruction would seriously decrease the salmon stock. It recommended large reductions in the allowable US harvest and urged Canada to do the same for its fishers.

But Canadian officials have long argued that their fishers have not been getting a fair share of the salmon that are raised or spawn in their waters and then mix with the salmon from US waters.

In June, Canada announced it would tax US commercial fishing boats 1,100 dollars to sail through its waters to salmon grounds off the US state of Alaska. Under protest from US authorities, Canada dropped the fee and negotiations resumed.

PHDCCI concerned at hike in int'l air fares

NEW DELHI, Aug 5: The PHD Chamber of Commerce and Industry (PHDCCI) yesterday expressed concern over the steep increase in international air fares and the withdrawal of discounts by all international airlines, reports PTI.

In a communication addressed to the Director General of Civil Aviation, the Chairman of the Chamber's Tourism, Civil Aviation and Transport Committee, Vidyandhi Dalmia, has said the factor mentioned for promoting this action of "remittances" was not correct.

He said, airlines were claiming transfers of funds on the basis of tickets coupon

value, whereas tickets were actually sold at much lower values.

However, it has been explained that this is an incorrect perception as airlines are allowed 100 per cent remittance in any case and they can only remit what they have in balance and nothing more. Dalmia said adding that airlines are required to register any discount offered by them with the directorate.

"If this was not done, understandably, it was because such information of information tends to be anti-competition as it is leaked to other carriers, particularly the national carrier."

Wage negotiations

IBA submits 3 new issues

CALCUTTA, Aug 5: The Indian Banks Association (IBA) has put forward three new issues in addition to the already submitted set of norms relating to productivity, trade union freedom and disciplinary action against the employees as a precursor to wage negotiations.

The General Secretary of the All India Bank Employees Association, Tarakeshwar Chakraborty, told PTI here today that the three new issues were put forward for discussions by the IBA at the meeting with four bank trade unions held in Bombay on July 28 and

29 last on the sixth disparate wage negotiations.

He said that the three new issues were submission of annual returns of assets and liabilities by workmen staff, classification of banks and that the refusal to attend training programmes by the employees are to be treated as a misconduct.

Chakraborty said that banks will now be classified into "a" and "b". He said that a bank with a deposit of more than Rs 100 crore are treated "A" class banks and those with a deposit of less than Rs 100 crore were classified as "B".

Daewoo pledges \$1m to Hanoi

HANOI, Aug 5: South Korea's Daewoo Group has pledged one million dollars to help rebuild Hanoi's central market which was destroyed in a fire last month, a company spokesman said today, reports Reuter.

The gift was announced during a recent visit by Daewoo Chairman Who Choong Kim, he said.

New chairman of Central Insurance

Alhaj Md Shafi has been elected chairman of the Central Insurance Company Limited for the period 1994-95, says a press release.

His election was made at the 55th meeting of the board of directors of the company in the city on Thursday.

Shafi, an eminent industrialist and businessman, is also a sponsor director of the company. He was vice chairman of the company for the period 1991-92.

Shafi is the managing director of General Oil Mills Ltd. and Ashraf Garments Pvt. Ltd. and associated with various trade organisations.

Number of Japanese overseas travellers to rise: JTB

TOKYO, Aug 5: The Japan Travel Bureau (JTB) Inc has revised upward its forecast this year of the number of Japanese travelling overseas to a record high, boosted by the sharp appreciation of the yen, reports AFP.

JTB said Wednesday that the number of Japanese overseas travellers would jump 11.4 per cent from a year earlier to a record 13.3 million this year, compared with the 12.4 million that JTB forecast in January.

The nation's largest travel agency said that more people were encouraged to go abroad this year because of the yen's strength. The dollar plunged 12 per cent against the yen for the January-June period ending at 98.95 yen at the end of June.

JTB also said that large discounts in package tours and income tax cuts conducted earlier this year were also other major factors to boost the forecast.

In the first half of the year, the number of overseas travellers already rose 15.4 per cent from a year earlier to 6.31 million, while JTB forecasts an eight per cent increase in the second half.



The President of MMM investment company Sergey Mavrody (C) is arrested by armed and masked policemen in Moscow on Thursday. Mavrody is under investigation for tax evasion. — AFP photo

US leading indicators up in June

WASHINGTON, Aug 5: The composite index of leading indicators, designed to forecast US economic activity several months ahead, increased 0.2 per cent in June, according to preliminary estimates released by the Department of Commerce August 3, says a USIS press release.

The department said revised estimates show that the index increased 0.1 per cent in May and remained unchanged in April. The previous estimate a month ago said the May index was unchanged.

The composite index of coincident indicators, which is supposed to reflect current economic activity, increased 0.2 per cent in June.

Five of the 11 indicators had a positive influence on the

leading index in June:

— The increase in raw materials prices accelerated from 1.29 per cent to 1.70 per cent;

— Average weekly initial claims for state unemployment insurance decreased from 371,000 to 348,000;

— The decrease in the backlog of unfilled factory orders for durable goods (in 1987 dollars) slowed from 650 million to 230 million dollars.

— Contracts and orders for plant and equipment (in 1987 dollars) increased from 41,160 million to 42,720 million dollars.

— The index of 500 common stocks rose from 450.90 to 454.83.

Six of the 11 indicators had a negative impact on the index.

— The money supply (M2 in 1987 dollars) declined from 2,764,700 million to 2,751,200 million dollars;

— The index of building permits dropped from 108.2 to 104.9;

— The average workweek for production workers edged down from 42.1 hours to 42.0 hours.

— The proportion of customers reporting slower deliveries from vendors, an indicator of demand, decreased from 60.7 per cent to 59.7 per cent;

— The index of consumer expectations fell from 84.2 to 82.7;

— New factory orders in consumer goods and materials industries (in 1987 dollars) decreased from 118,580 million to 118,180 million dollars.

US Commerce Secy to visit China in August

BEIJING, Aug 5: US Commerce Secretary Ron Brown will visit Beijing in late August, the highest ranking American official to come to China since the renewal of its favoured trading status, the China Daily said, reports Reuter.

In late May, President Clinton renewed China's most favoured nation (MFN) status and said trade issues would no longer be linked to improvements in human rights here.

Oman may export 2m tonnes of LNG in 2000

ABU DHABI, Aug 5: Oman will start exporting around two million tonnes of liquefied natural gas (LNG) in 2000 when a multi-billion-dollar project is completed, an Arab magazine reported on Wednesday, reports AFP.

The Gulf state has allocated nearly one third of its gas reserves of around 20 trillion cubic feet (600 million cubic metres) for the project, the first phase of which will be commissioned in the first quarter of 2000, said the Paris-based Arab Oil and Gas Magazine, obtained here.

A second liquefaction unit will go on stream in the third quarter of the same year and total exports could reach two million tonnes. It quoted an official at the Omani oil ministry as saying.

It said the project would cost around nine billion dollars in current prices, covering production, distribution and shipping.

The official said he could not give figures on expected revenues from LNG sales. Saying this depended on prices when exports begin.