



HYUNDAI

CARS THAT MAKE SENSE



The 56th meeting of the Board of Directors of KAFCO and the 22nd meeting of the Board of Director of KAFCO International Co Ltd were held at a city hotel on Monday. The meetings were presided over by Dr A M M Shawkat Ali, Secretary, Ministry of Industries and Chairman of the said companies.

IMF holding talks with Lanka on more concessional lending

COLOMBO, Apr 12: The International Monetary Fund (IMF) is holding talks with the Sri Lankan government on more concessional lending to support the island's reform programme, the fund's resident representative said.

"We're continuing talks on how to provide financial support on a long-term basis to support the government's reform programme — the possibility of another multi-year ESAP (Enhanced Structural Adjustment Facility) programme," Cyrus Sasanpou said in an interview on Tuesday.

He did not say how long the talks were expected to take or when an announcement would be made.

The IMF gave the island 336 million special drawing rights (SDR), worth 470 million dollars, under its initial ESAP programme in 1991, Sasanpou said.

"ESAP is highly concessional lending and provides support for structural reforms — changes in the tax and tariff structure, privatisation and consolidation of social welfare programmes," Sasanpou said.

"IMF money usually acts as a catalyst," he added. "It helps the flow of other financial resources to the economy — from multilateral lending agencies, as well as private

sector foreign investment. It signals the IMF's commitment."

The government has pledged to continue free market reforms by privatising state ventures, cutting import duties and rationalising welfare spending.

Sasanpou said Sri Lanka's total outstanding debt to the IMF as of December 1994 was SDR 423 million (almost 600 million US dollars). There have been no new loans since then.

He said the agency was pleased with the broad parameters of Sri Lanka's 1995 budget, presented to parliament in February, which seeks to slash the dawning budget

Egyptian central bank issues \$882m treasury bonds

CAIRO, Apr 12: The Egyptian central bank Tuesday issued treasury bonds worth three billion Egyptian pounds (882 million dollars) as part of government efforts to control market liquidity, financial experts said, reports AFP.

The five-year bonds, with a minimum value of 1,000 pounds (290 dollars), carry interest of 12 per cent and will be on sale to companies and individuals until April 30, the sources said.

IFC keen to invest in energy sector

International Finance Corporation (IFC) intends to participate in gas and oil exploration in Bangladesh through equity basis with the investors engaged in the sector under production sharing contract, reports UNB.

This was stated by visiting South Asia Regional Chief of IFC Danise Leonard during a meeting with Energy and Mineral Resources Minister Dr Khandaker Mosharraf Hossain here yesterday.

This is the first ever move to invest in Bangladesh's energy sector by the IFC, a World Bank organ funding private sector ventures.

During the meeting, the Energy Minister apprised her of the reform package and privatisation process in the energy sector here.

He said Bangladesh has recently signed four memoranda of understanding for private power generation and some are in the pipeline.

Energy and Mineral Resources Secretary M Faizur Razzak was present at the meeting.

Dollar declines in Tokyo

TOKYO, Apr 12: The US dollar declined against the yen in Tokyo Wednesday, reports AP.

At 4 pm (0700 GMT), the dollar was changing hands at 83.32 yen, down 0.14 yen from late Tuesday in Tokyo and also below its late overnight New York level of 83.60 yen. It briefly fell as low as 83.10 yen during morning trading in Tokyo.

The dollar slipped back on small-lot selling by investors who needed to fine tune their positions after major moves earlier in the week, dealers said.

But trading was quiet as players focused on trading involving the German mark and the yen, instead of dollar-yen and dollar-mark dealings.

Investors were not making any big moves as they remained cautious about the Bank of Japan's dollar-buying intervention, while awaiting an announcement of the government's emergency economic stimulus package expected Friday.

The package is designed to cope with the yen's recent surge by stimulating the economy and increasing imports, traders said.

In late trading, the price of the benchmark No 174 10-year Japanese government bonds stood at 106.65 yen, down 0.71 yen from Tuesday's finish. Their yield rose to 3.650 per cent from 3.555 per cent.

Iraq may accept limited oil sale deal

UNITED NATIONS, Apr 12: Iraq has shown interest in a promised limited oil sale deal for the first time, offering amendments to a US-British draft resolution, diplomats said on Tuesday, reports Reuter.

But envoys were not certain if the Iraqi proposals meant Baghdad would eventually accept a deal or was trying to delay the draft resolution. Some of the amendments, they said, would be unacceptable to the sponsors.

One amendment asks for two billion dollars in sales over 90 days rather than the one billion dollars in the original draft proposed by Argentina, Britain, the United States and Oman.

This amount would come close to letting oil flow freely and would probably be rejected, the envoys said.

No date has been set for a council vote on the deal, which is not expected until next

week at the earliest.

Iraqi Deputy Prime Minister Tareq Aziz, in New York this week, rejected the US-British draft but said he would consider a "new" resolution if it had radical changes.

Iraq, however, is cautious in approving any limited oil sale deal if it interferes with getting sanctions on oil exports lifted entirely.

But a new report on Monday from Rolf Ekeus, head of the UN special commission for scrapping Iraq's weapons of mass destruction, dashed hopes of a speedy lifting of the oil embargo. It said Baghdad has not yet come clean in accounting for materials that could be used in germ warfare.

A 1991 Gulf War cease fire resolution tied a lifting of sanctions on exports, such as oil, to the destruction of dangerous weapons while imports of goods are linked to other demands, such as accounting for

Kuwait war prisoners.

The limited oil sale deal is separate from the lifting of the oil ban and is intended to raise money for needed food and medical supplies for Iraq, which has been under trade sanctions since its troops invaded Kuwait in August 1990.

Under this plan — an update of a similar one first approved by the Security Council in 1991 but rejected by Iraq — Baghdad would still have to pay up to 30 per cent of the proceeds into a US reparations fund while additional sums would go to meet other costs stemming from the Gulf War.

France has also proposed several amendments to the draft, asking for 1.5 billion dollar over 90 days and making allowances for costs Iraq needs to restart pumping oil. The 1.5 billion dollar figure is also unacceptable to the sponsors.

Rouble falls to all-time low

MOSCOW, Apr 12: The rouble slipped below 5,000 to the dollar for the first time today and dealers said the central bank was keen to see a lower rate to help exporters sell their goods abroad, reports Reuter.

The Russian currency fell to 5,008 per dollar on the Moscow Interbank Currency Exchange (MICEX) from 4,991 on Tuesday, banks quoted the currency at 5,005 to 5,008 on the interbank market.

The rouble, which started the year at around 3,570 to the dollar has been slipping from one new all-time low to another. But dealers said the central bank would ensure that its monthly decline was at least as big as the monthly inflation rate.

The bank is the main operator on MICEX and uses the rate set on the exchange as its own benchmark rate.

The rouble a non-convertible unit in Soviet days, can be bought and sold at thousands of banks and exchange booths across Russia.

Dealers said this year's lower inflation rates meant that banks were now looking at rouble investments, rather than automatically changing money into "safe" dollars.

Consumer prices rose 8.9 per cent in the month to March, after 11 per cent in February, and inflations expected to be lower in both April and May.

Israel, China sign five accords

BEIJING, Apr 12: Israel and China have signed five agreements aimed at boosting economic cooperation and trade between the two countries, which establishing diplomatic relations in 1992, the Israeli embassy said today, reports AFP.

The accords covering such areas as avoiding double taxation and protecting bilateral investment, were signed during the visit of Israeli Finance Minister Avraham Socolat.

Socolat arrived in China Friday for an eight-day visit which has so far included talks with Finance Minister Liu Zhongli, Foreign Trade Minister Wu Yi and Vice Premier Li Langling.

According to figures released by the Israeli embassy, bilateral trade with China soared 63 per cent last year from 1993 to nearly 250 million dollars.

The agreements included a credit-line accord under which Israeli and Chinese banks will provide support to enterprises setting up joint ventures here.

During his meetings Socolat urged greater cooperation in the areas of agriculture irrigation technology, chemicals and computers.

Farmers stage protest near US embassy in Seoul

SEOUL, Apr 12: About 40 farmers and activists demonstrated Wednesday near the US Embassy in downtown Seoul to protest what they called Washington's pressure to open wider South Korea's agricultural market, reports AP.

"US pressure endangers public health!" the farmers shouted, holding huge banners and pickets to protest US demands that South Korea shorten and simplify quarantine procedures for fresh fruit and produce.

Police blocked off the farmers across the street from the embassy, but two of the participants were allowed to approach the heavily guarded compound to deliver a protest letter.

The US trade office said last week that it would bring the quarantine dispute before the new World Trade Organisation.

South Korea has called the move unjustified, saying it has already reduced the quarantine period to five days from the previous 25.

Farmers argue that the US demand endangers public health, by requiring the goods to pass through customs before they can be checked for pesticide residue and other potential dangers.

The WTO, which replaced the General Agreement on Tariffs and Trade this year as the world's main trade overseer, sponsors free trade and arbitrates trade disputes among member nations.

Notice Inviting Quotation of RHD (2nd Call)

Sealed quotations are hereby invited from intended persons/organisations for the following subject:

1. Quotation No. : 8 (Eight)/T.R.D. of 1994-95.
2. Subject : Quotation for leasing out of toll collection of Elashin Ferry with fixed rates from all kinds of Vehicular Traffic, crossing by the RHD Ferry over Dhoshahary River located at 17th K.M. of Tangail-Aricha Road.
3. Security Deposit : Tk. 2.00 (Two) lac only.
4. Lease Period : Up to 30-6-1996 from the date of 1-7-1995.
5. Name of offices : Office of the undersigned and the Executive Engineer, RHD, Road Division, Mymensingh/Jamalpur/Kishoreganj/Netrakona/Planning and Design Divn, Dhaka/Planning (Roads and Bridges) Division, Dhaka/Narayanganj Road Division, Simrail (Katchpur), Narayanganj and Sub-Divisional Engineer (RHD), Road Sub-Division, Tangail/Mirzapur/Modhupur/1st Line Workshop Sub-Division, Tangail under Tangail Road Division, Tangail.
6. Name of offices to receive quotation bids : Office of the Addl. Chief Engineer, RHD, Dhaka Zone, Dhaka/Superintending Engineer (RHD), Road Circle, Mymensingh/Monitoring and Evaluation Circle (P and D), Dhaka/Planning, Monitoring and Evaluation Circle, Dhaka Zone, Dhaka/Dhaka Road Circle, Dhaka/Sub-Divisional Engineer (RHD), Road Sub-Division, Tangail under Tangail Road Division and by the undersigned.
7. Last date of closing of quotation : Up to 23-4-95 during office hours.
8. Last date of receipt : Up to 12-30 PM on 24-4-95.
9. Place, date and time of opening of bids : Office of the Executive Engineer (RHD), Monitoring & Evaluation Division, Dhaka Zone, Dhaka, At 10-30 AM on 30-4-95.

Md. Helal Uddin
Executive Engineer (RHD)
(Current Charge)
Road Division, Tangail

Workshop on multi-modal transport begins Sunday

By Staff Correspondent

A four-day workshop on 'Multi-modal transport' will begin on Sunday next at Dhaka Sheraton Hotel.

Shippers' Council of Bangladesh has arranged the workshop in cooperation with United Nations Economic and Social Commission for Asia and the Pacific (UN/ESCAP).

M K Anwar, Minister for Shipping, will inaugurate the workshop as chief guest while Salman F Rahman, president of the FBCCI, will be present as special guest on the occasion.

The main objective of the workshop is to train the participants

in the trade and transport industry about multi-modal transport and its requirements for the shippers and multi-modal transport operators so that they can efficiently operate and use this transport system for promoting country's export trade in the competitive world market.

The organizers expect that about 46 persons from concerned government departments and other organisations and agencies in the public and private sectors will participate in the workshop.

Chechen economy being rebuilt, says Russia

MOSCOW, Apr 12: Russia says it is starting to rebuild the economy of its rebel Chechnya region after four months of war and refugees are returning to their homes, reports Reuter.

First Deputy Prime Minister Oleg Soskovets told a special commission meeting on the Chechen economy on Tuesday that 5,000 to 6,000 people were returning to the capital Grozny each day and its population now stood at about 230,000.

The city, which fell to Russian troops in February, was home to 400,000 people before Moscow launched its attack on separatists loyal to Chechen leader Dzhokhar Dudayev.

Soskovets, who visited Grozny last week, said schools and hospitals were beginning to get back to work although they did not have proper heating or water supplies, and staff were receiving salaries.

"Medical staff are trying to create the conditions for accepting sick people," he said.

Much of Grozny has been reduced to rubble by Russian artillery, sanitary conditions are atrocious and there are fears of cholera and other infectious diseases spreading with the onset of warm weather.

Soskovets complained that local authorities, installed by Moscow, were not cleaning up the city.

"Power structures are only just being formed, but there is still no sign of real activity," he said.

He said railway traffic to Grozny had now been restored and trains were ferrying in construction materials.

There were still long delays in paying pensions and salaries, he said. "Some pensions have not been paid for two or three years," he added.



A S F Rahman (3rd from left), Chairman of the Beximco Group, presided over the fourth annual general meeting of Beximco Synthetics Ltd at a city hotel on Tuesday. Salman F Rahman (1st from left), Vice Chairman of the group, seen answering the questions of the shareholders.

Japanese car makers reject US appeal for raising purchase plans

TOKYO, Apr 12: Leading Japanese car makers said Wednesday they have refused suggestions from US officials that they increase "voluntary" plans to buy more foreign auto parts.

US embassy officials have been visiting Japanese auto makers over the past month saying that an increase in the purchase plans would help troubled trade talks between the two countries, company officials said.

Visits to auto companies by US Ambassador Walter Mondale in late March were followed by trips by consular for commercial affairs George Mu, the companies said.

The officials at Japan's top three auto makers — Toyota Motor Corp, Nissan Motor Co and Mitsubishi Motors Corp — said their companies replied they do not have any intentions of boosting or revising their existing plans.

"With the exchange rate of 80 yen (per dollar), our exports are becoming very difficult. This is not a good time to draw a picture for our future (parts purchase) plans," a Nissan spokesman said.

The weak dollar is hurting Japanese exporters by making their goods less competitive.

Japanese car makers are also still suffering from the effects of a prolonged domestic market slump. As a result, their resistance to revising the voluntary plans is very strong, government and industry officials say.

In contrast, the companies were enjoying record profits in 1991 when they announced the foreign parts purchase plans under heavy pressure from the United States after a visit to Japan by President Bush.

Japan's top five auto makers, including Honda Motor Co and Mazda Motor Corp, pledged then to double their purchases of foreign auto parts to nearly 20 billion dollars.

Cars and auto parts accounted last year for more than half of America's record

dlrs 65.7 billion trade deficit with Japan.

The company officials said Mu, like other US officials, was extremely careful about the wording of his discussion over the voluntary plans and did not clearly request a change in their targets.

US officials have said the United States does not intend to "negotiate" the parts issue with auto makers directly, but that an improvement in the voluntary plans is imperative for the success of the auto trade talks.

The protracted talks have strained bilateral relations. The United States has insisted on an agreement that includes measurable goals, while the Japanese government says it cannot dictate purchasing decisions by private companies.

The visits to the companies by Mu and other embassy officials come ahead of expert-level talks in the auto negotiations scheduled for Thursday and Friday in Washington.