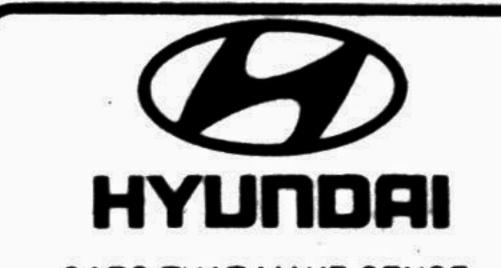
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# The Daily Star DUSINESS



CARS THAT MAKE SENSE

# Bangladesh-Norway MOU on dev cooperation signed

Bangladesh and Norway signed a Memorandum of Understanding (MOU) here vesterday on the future development cooperation between the two countries, reports

Finance Minister M Saifur visiting Rahman and Norwegian Minister Development Cooperation Kari Nordheim Larsen signed the MOU on behalf of their re-

spective governments. Poverty alleviation is the main objective of the future development cooperation between the two countries. The areas of future cooperation are education, productive sector, strengthening of democracy and family planning.

Norway provides 170 million Norwegian kroner equivalent to Tk 100 crore annually. Since independence of Bangladesh, Norway has provided 2.750 million kroner or about Tk 1,816 crore up to December 1994.

## Tk 1.22 cr Aussie grant for ICDDR,B

The government of Australia has donated about Tk 1.22 crore as grant to the International Centre for Diarrhoeal Disease Research, Bangladesh (ICDDR,B) for the current year, reports UNB.

The Australian High Commissioner to Bangladesh Kenneth Aspinall, handed over the funds to the ICDDR,B's Director Dr Demissie Habte at

an official ceremony yesterday. The grant will provide support for ICDDR,B's 1995 core budget programme, said a

HONG KONG. May 23: Asian

stock markets closed mostly

higher Tuesday, with share

prices surging in Hong Kong in

reaction to an overnight rally

Hong Kong market's key indi-

cator of blue chips, rose

**244.12** points, or 2.7 per cent.

closing at 9.302.86. On Mon-

day, the index had gained 45

heavy buying of blue chips fol-

lowing the overnight sharp

confident that the US Federal

Reserve would not raise inter-

est rates in the near future be-

cause inflation in the United

States seems to be under con-

closed higher on late buying.

Average closed at 15,916.15,

up 127.03 points, or 0.80 per

cent. On Monday, the average

had shed 351.73 points, or

dex of all issues listed on the

first section was up 3.51

points, or 0.26 per cent, to

1,271.74. It had dropped

21.07 points, or 1.63 per cent,

Food prices

soaring in

Vietnam

have been soaring in Vietnam

since January, most notably

pork, pushing up the inflation

rate and burdening consumers

budget, a report said yester-

month by a record 2,000-to-

5,000 dong (20-to-50 cents)

per kilogram (2.2 pounds) in

Hanoi and Ho Chi Minh City,

from 20,000-to-25,000 dong a

kilogram in January, the

Vietnam News Daily reported:

blame on a lack of state super-

vision and loose management

of state companies, which left

the meat market controlled by

ficials statistics have shown a

nationwide increase of up to

12 per cent in the number of

pigs raised for butchery, and

that the reason behind

"artificial price rises" lay in the

hands of private porkmeat

about 250 tonnes of fresh pork

a day, which come mainly from

private slaughter houses.

Troubled state company Vissan

supplies only 35-to-45 tonnes

price hikes is the increase of

Another reason for steep

a day, the news report said.

animal feed prices.

Ho Chi Minh City needs

The report stressed that of-

private dealers.

producers.

The newspaper put the

Pork has increased this

day, according to AFP.

HANOI, May 23: Food prices

The Tokyo Stock Price In-

2.18 per cent.

In Tokyo, share prices

The 225-issue Nikkei Stock

rise on Wall Street.

Brokers said there was

They said investors were

The Hang Seng Index, the

on Wall Street, reports AP.

press release.

points.

Earlier, the two ministers held formal discussions on the future development coopera tion between the two coun-

They shared the views that

that Norwegian grant to Bangladesh is being utilised for the development of vital sectors - rural development, education, health care, communication, rural electrification.



Bangladesh and Norway signed a Memorandum of Understanding (MOU) on future development cooperation in education and the productive sectors towards poverty alleviation in the city yesterday. Finance Minister M Saifur Rahman and visiting Norwegian Minister for Development Cooperation Kari Nordheim-Larsen signed the MOU on behalf -PID photo of their respective sides.

Bangladesh has undergone important changes, experienced significant progress and successfully achieved macro economic stability during the last few years.

Saifur Rahman mentioned

Traders said the market

moved little throughout the

day but share prices gained on

arbitrage buying shortly before

on Monday.

trading closed.

recession.

environment and women's af-

He also thanked the Norwegian team for providing assistance to primary, mass and female education and to human resource development.

Asian stock markets close higher late overnight New York level of 87.33 yen SYDNEY: Australian share prices closed sharply higher, buoyed by a solid rally in US share prices overnight. The

> Otherwise, they said, many points to 2,034.0 investors remained bearish **WELLINGTON:** New Zealand due to reports this month of share prices closed higher in poor Japanese corporate moderate trading, with broearnings, indicating Japan's kers expecting the market to economy may take more time remain firm in line with overto recover from a 4-year-old seas markets. The NZSE-40 Meanwhile, the US dollar Capital Index rose 6.19 points

All Ordinaries Index rose 24.7

was quoted at 87.32 yen in late to 2,124.88. MANILA: Share prices trading, up 0.08 ven from late closed higher on foreign buy-Monday but slightly below its ing, boosted by Wall Street's strong performance overnight. The Philippines' unified composite index of 43 selected issues rose 43.48 points to

> TAIPEI: Share prices closed little changed after profit-taking eroded early gains. The market's Weighted Price Index fell 0.47 point to 5,705.03.

> SEOUL: Share prices closed lower for the fourth consecutive session in thin trading. The Korea Composite Stock Price Index fell 7.24 points to 856.89, its lowest level since April 2, 1994.

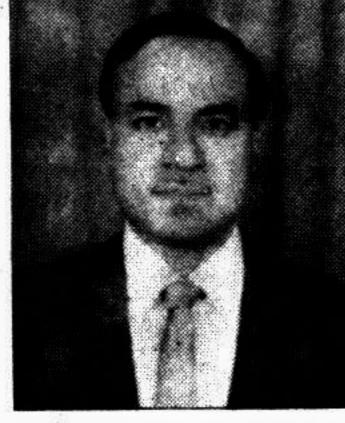
KUALA LUMPUR: Malaysian share prices closed broadly higher, with blue chip stocks leading the gains. The KLSE Composite Index rose 15.45 points to 1,024.91.

SINGAPORE: Share prices closed higher in moderate trading, with interest centered largely on property stocks. The 30-share Straits Times Industrials Index rose 30.69 points to 2,181.08.

BANGKOK: Thai share prices closed higher in moderate trading. The Stock Exchange of Thailand index rose 13.66 points to 1,330.07.

JAKARTA: The stock exchange's Composite Index rose 9.379 points, closing at 470.768.

2,748.33.



## New DG of BARI

Dr Md. Abdul Majed has joined the Bangladesh Agriculture Research Institute as its Director General, says a press release.

He joined the Institute as Chief Scientific Officer, in 1978. Dr Majed obtained PhD degree in agri-engineering from the Oklahoma State University in US in 1984. He has to his credit about

25 research works published in different journals at home and abroad.

He is a member of some professional bodies including Agriculturist Association of Bangladesh.

500 pilots, flight attendants and ground crew workers picketed a Philippine Airlines office Tuesday to protest, among other things, the hiring of Malaysian pilots by the na-

prepared to launch its nonstop service to San Francisco Tuesday night, using the airline's third Boeing 747-400. PAL has hired 14 Malaysian

ment of foreign pilots violated

PAL executive vice presi-

pilots trained for such flights

Protesters asked managethat would be "tantamount to killing the company."

### Shariatpur Welfare Assoc meets Biswas

President Abdur Rahman Biswas laid emphasis on well planned and co-ordinated efforts of people of all sections for socio-economic development of the country, reports

He was talking to a 40member delegation of the Shariatpur district People's Welfare Association who called on him at Bangabhaban yester-

President Biswas said various professional living in urban areas should contribute to the development of their respective areas adding that they should not isolate themselves from their roots.

Biswas advised the mempers of the Association to make the best use of opportunities opened for the people by the government specially in the field of education, communication and health care.

Earlier. Secretary of the President Ataul Hug and the leader of the delegation Dr Hedayetul Islam apprised the President of some specific matters of the district including improvement of road communication and introduction of science section in the intermediate colleges.

President Biswas assured them that the concerned authorities will be advised to look into these matters.

Among others. Dr K A Jalil, Dr Salehuddin Ahmad, Abdul Awal Howladar, Nurul Huq Sikdar, Prof M A Hamid and Matbar Matiur Rahman were present on the occasion.

#### Larsen meets Mostafiz

Bangladesh is keen to increase trade with Norway, our important development partner, Foreign Minister A S M Mostafizur Rahman said here vesterday, reports UNB.

"We can exchange private sector trade delegations to enhance bilateral trade," he said at a meting with visiting Norwegian Minister for Development and Cooperation Kari Nordein Larson.

He asserted that the present government aims at reducing dependence on foreign aid through expansion of trade and commerce.

Mostaliz said Bangladesh of fers attractive opportunities for foreign investment. There is no discrimination between local land foreign entrepreneurs in investment sector, he added.

## \$1.8b profit in 9 months

Motor Corp, Japan's no. 1 car maker, reported Tuesday that it made a net profit of 132 billion yen (1.8 billion dollars) in the nine-month period ended March 31, reports AP.

 The latest reporting period lasted only nine months because this year Toyota is changing the end of its fiscal term from June to March, the date most commonly used by major Japanese companies.

## blood sugar

Among all the beverages, tea is the best for maintaining fluid balance, providing sufficient blood cholesterol level, according to eminent agricultural scientist, Dr G Rangaswami reports PTI.

company lecture in the Assam Agricultural University campus here recently. Dr Rangaswami said tea consumption, especially black tea, also reduces blood sugar and has several other qualities for which there has been a marked increase in tea consumption.

Vice-Chancellor of the Tamil Nadu Agricultural University, said the future of the tea in dustry would depend on in creased use of modern tech nology which should involve genetic improvement for crop productivity, improvement in its processing and introduction of modern packaging and marketing system, Dr Rangsawami said.

He also called for the production of quality tea which. he said, would increase exports. The tea industry, he said. should adopt modern pest control measures to keep within the safety limits, prac tised in other parts of the

those from the Tocklai exper imental station and regional research laboratory, partici pated in the function.

## BUDGET '95-96: Business leaders speak out

# BJGA chief demands waiving of all kinds of taxes in jute sector

The jute sector should be exempted from all kinds of faxes as it is a sick, yet reviving sector and for the rehabilitation of jute industries, the government should subsidise the loss between the cost price and export price of jute. says the Chairman of Bangladesh Jute Goods Association (BJGA) Haji Mohammad Ali. He was interviewed by

Sharier Khan. Following is the full text of

his interview: The Daily Star (DS): What is

you sector's expectation from the next year's budget? Do you think the priorities in the last budget were implemented properly?

Haji Mohammad Ali (HMA): In view of the present policy and attitude of the government to jute sector, I bear little hope in mind that the jute sector will get any priority or importance in the next budget for 1995-96.

The last budget did not . even frame a pragmatic policy to salvage the sinking jute sector which once was a major sector fetching home the largest amount of foreign exchange involving about three crore of people in production,' . people of the country involved. processing and export.

**DS:** Do trends in your sector show a growth or decline?

HMA: Although the jute sector is declining in the absence of appropriate policy, we see the signs of change in the sector's trend. Recently the demand for jute goods is increasing as consumers are slowing developing reluctance in using synthetic packaging material. Unfortunately. Bangladesh

is far from taking this oppor-

tunity. It is most disheartening that presently Bangladesh is not is a position to meet even 50 per cent of the demand of jute goods coming from abroad due to a sharp decline of production for closure of some public mills. The remaining mills, under private ownership, can not even produce 50 per cent of their capacity due to financial crisis. The government should come forward with financial assistance and incentives in different types in order to ensure running of these mils at rated capacity.

DS: What kind of problems did your sector face with the fiscal policies adopted in the last budget like VAT. tax structure and tariff-duties?

**HMA:** Although all exports were kept outside the purview of any taxes and duties, the Income-Tax Authority is deducting 0.5 per cent as advance tax on the export proceeds for raw jute and jute

As jute is an agricultural commodity and the jute sector is sick, it is necessary to exempt the jute sector from any sort of taxes for its survival in the interest of the millions of DS: If there is any sick in-

dustry in your sector did the situation improve. If not why? HMA: Yes, all jute mills in Bangladesh are sick. Recently a

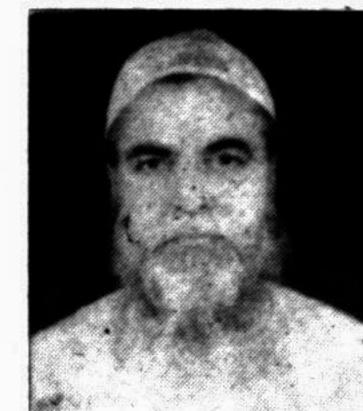
little improvement has taken place in the World Bank Restructuring Programme. But it is not sufficient for healthy survival of the jute industries. DS: What are your views on the on-going economic re-

forms and what particular im pact did it have on your sec-

free market economy policy I think it is not workable in Bangladesh. This so called economic reform which includes free import is seriously affecting the growth of the local industries. Of course there is no positive impact of this reform on the jute sector.

DS: Have you any suggestion for any major policy changes to bolster the economy?

HMA: The economy of Bangladesh is pre-dominantly



Haji Mohammad Ali based on agriculture. Major emphasis should therefore be given to the development of agriculture. On the other hand industrialisation should be given priority as it is a basic means for rapid economic development.

DS: What is your opinion about the current political scenario and what are your suggestions to improve it?

HMA: Unfavorable political situation is prevailing in the country resulting in a stagnation of all kinds of economic activities including the production and export of jute. DS: How do you view the overall economic scenario and what are your suggestions to improve it?

HMA: The economic seenario is cloudy due to political unrest, high tax burden on industries, the free-market economy policy and high cost of fertilizer and electricity for irrigation.

To overcome these problems. I suggest, the government should improve infrastructure facilities for both industries and agriculture. All newly established industries should be exempted from VAT and other taxes for at least five years while the present sick industries be exempted for at least three years to let them stand on their own feet.

To rehabilitate the jute industry the government should subsidise the loss between the cost price and export price.

DS: How many members are there in your association? When was it formed?

HMA: The association was formed in 1970 initially with 48 members. Now the total number of members stand at

DS: What was the estimated annual turnover of your sector last fiscal year and how much is it likely to be in 1994-95? What was the estimated con tribution of your sector to the national exchequer in the form of taxes and duties?

HMA: An amount of 375 million US dollar has been estimated as foreign exchange earning from the jute sector for the 1994-95 fiscal year but it is expected to reach 400 million dollar. (Readers are invited to

send their views on the next budget along with passport size photographs).

**BRDB** disburses

Tk 1.67 cr among

## Borro production unlikely to fulfil targets of 87 lakh MT million tons of wheat.

HMA: The on-going eco-

Boro production in the current season may not fulfil its target of 87.7 lakh metric tons owing to fertilizer crisis and drought during plantation period, reports UNB.

Officials at the Department of Agriculture Extension told UNB that the target of boro production was set at 8.32 million mts of HYV on 2.6 million hectares of land and 0.45 million mts of local variety on 0.3 million hectares of land during the current season from November to June.

HYV boro cultivation, was seriously hampered by drought and fertilizer as it needs adequate irrigation, fertilizer and pesticides in time. The local variety requires less inputs as it produced in lowlying and haor areas, of Sylhet Netrokona and Brahmanbaria.

The speakers at the techni-

cal seminar on modern tech-

nology for garments finishing

held at Dhaka Chamber of Co-

mmerce & Industries Training

Centre in the city from May 21

to May 25 stressed the need

for introducing modern tech-

nology in garments finishing.

ironing and underpressing

systems to ensure the high

value addition from garments

Organised by Minhaz Conti-

nental Agencies Ltd. pioneer in

introducing garments machin-

ery in the country, the seminar

was inaugurated by M. Alam

Chowdhury, Executive Direc-

tor. Minhaz Continental Agen-

cies Ltd.

centre.

exports, says a press release.

The officials said production forecast can't be possible yet as only 20 per cent HYV boro and 90 pre cent local variety were harvested till date. Boro cultivation is better in some parts of Rajshahi and Comilla than drought hit Rangpur. Bogra and Dinajpur.

The Agriculture Secretary has recently said that the country will require US dollar 800 million in the current fiscal year to meet the food deficit of 3 million tons. .

A recent survey of USAID forecast that the country will face 12 per cent shortfall in food production against annual requirement of average 20 million tons of cereal. The country products on an average 6 million tons of Boro, 9 million tons of Aman. 2 million tons of Aus and one or two

Introduction of modern technology

in garments finishing stressed

the companies - Minhaz Con-

tinental Agencies Ltd. (a con

cern of Minhaz Group) and

M/S.VEIT GMBH & CO. GER-

MANY to the participants. He

emphasised the need for in-

troducing modern technology

in garments industry to keep

pace with the growing compe-

tition in the sector. He urged

the participants to apply the

experience gained from the

seminar. The Executive Direc-

tor introduced W. Heinemann

of M/S. VEIT GMBH & CO.

GERMANY to the participants

and also urged the participants

to adopt the modern technol-

garments industry.

SERVICE OF STREET

ALTHOUGH CONSTRUCTION OF

ogy of finishing section in the

The Managing Director of

Chowdhury introduced both

Hreliminary forecasts for boro during the current season ranges between 6 to 6.5 million tons against 6.77 million tons in 1993-94, said a recent survey conducted by Abu Abdullah. M Hasanullah and Quazi

Sahabuddin for "Independent

Review of Bangladesh's Devel-

opment 1994-95".

This is attributed to the ad verse impact on minor irrigation of the lowering of water tables, specially in the northern region and to the fertilizer crisis during the current season. As a result, total rice production is most likely to decline by 1.75 to 1.25 million tons in 1994-95.

The early nineties has wit nessed a considerable slowdown in rice production growth.

the Minhaz Group ABM Ka-

maluddin Khan is one of the

prime initiators of introducing

latest technology in garments

sector by holding seminar's

workshops and symposiums

Khan delivered the speech at

the concluding day of 3 day's

Technical Seminar. On where

MD's of defferents garments

factory, Bank Official and rep-

resentative of various garments

industries were present. Khan

emphasised in his speech that

Bank Official should see the

project as to how the project

is balanced with finishing side

equipments, as mostly the late

delivery, cancellation of order,

claims etc. has caused due to

lack of imbalanced & modern

finishing system.

#### assetless women Bangladesh Rural Development Board (BRDB) under its sed Tk 1.67 crore as socio-

women's programme disbureconomic development credit among the assetless women in five thanas of Greater Kushtia district during the current financial year, a BRDB press release said here yesterday. reports BSS. A total of 6,200 assetless

families of Daulatpur, Khoksha. Damurhuda, Alamdanga and Meherpur Sadar thanas invested the credit in income generating activities like poultry farming, duck milch cow raising, small trade paddy husking, goat rearing and handicraft. The women members have

already repaid credit amounting to Tk 1.15 crore, the press release said.

A some 9460 members of 255 women cooperative societies who utilised the loan made a capital of over Tk 27 lakh through their small sav-

## Oli inspects work on Ctg Railway Terminal Bldg

Communications Minister Oli Ahmad yesterday visited the Chittagong Railway Station to see the progress work of its new terminal building, reports

The terminal building of

as a model of architecture inthe sub-continent marking a success of the present government", he told a function organised on the occasion. The terminal is being con structed under Chittagong

the station will be recognised

Railway Remodelling Project at a cost of Tk eight crore, said an official source. The Minister hoped that the construction work of the

terminal would be completed within 4-5 months. On completion of the ter-

minal, the port city will go one step ahead in turning into the industrial capital of the country. Oli Ahmad said adding that the station will have a sitting arrangement for about 500 passengers on the ground Its facilities also include a

VIP room, separate rest houses for the second class and class three passengers, canteen for various classes of passengers, a guest room equal to the Standard of a Three Star Hotel. public fax. public telephone bank and arrangement for oflering prayers Separate parking facilities

will also be provided for rick shaws auto-rickshaws and private cars, he said

#### Philippine Air's hiring of foreign pilots protested collective bargaining agree-MANILA, May 23: At least ments' between the company and its workers.

tional flag carrier, reports AP. The protest came as PAL

pilots to man its long-haul flights. Protesters belonging to three unions said the employ-

within six months," he said. flights, but management said

dent Manolo Aquino said there was no violation since the use of foreign pilots was just a temporary measure to fill the shortage of Filipino pilots trained to man long-haul "We expect to have enough

ment to scrap the long-haul

Toyota makes

TOKYO, May 23: Toyota

# Black tea reduces

JORHAT (India), May 23 levels of fluoride and reducing

Delivering the sixth Assam

Dr Rangaswami, a forme

Several scientists including

W Heinemann, garment engineer & expert in product training of M/S VEIT GMBH & Co, Germany, briefing the participants at the Seminar to acquaint them with the latest finishing technology jointly organised by Minhaz Continental Agencies Ltd a concern of Minhaz

Group and their parent Co M/S. VEIT GMBH & Co, Germany recently at the DCCI training