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**HYUNDAI**

CARS THAT MAKE SENSE

Year's first week witnesses dull trading on DSE

By Sharier Khan

The year's first week of trading on the Dhaka Stock Exchange (DSE) was very dull.

Prices of most share issues continued to fall the All Share Price Index dropped by 1.27 per cent or 10.64 points to 825.19 points on Thursday from the previous week's closing point of 835.83.

The market capitalisation lost its height by Tk 74.58 crore this week and fell to Tk 5289.10 crore from the previous week's Tk 5363.68 crore.

While investors' activities on DSE have comparatively declined from December, the market operators are very much hopeful of a brighter year ahead.

Five new companies — PRAN, Monno Fabrics, Sreepur Textile Mills, Pragati Insurance and Sandhani Life Insurance — are expected to be enlisted with DSE in the coming weeks. A DSE press release said that these enlistment would enhance the market capitalisation by Tk 21.48 crore.

"These would help boost the market. But then again, the coming weeks might remain sluggish due to political uncertainty," one market operator said.

In line with the last week's trend, the daily average volume of trading this

week slipped further by nearly 1,000 to 1.27 lakh shares and debentures from the previous week's average of 1.28 shares and debentures.

The daily average value of trading similarly fell by Tk 34 lakh to Tk 2.12 crore at the closing of the week from Tk 2.46 crore of the previous week.

A total of 6 lakh 36,107 shares and debentures worth Tk 10 crore 64 lakh 66,226 were traded this week

against 6 lakh 43,562 shares and debentures valued at Tk 12 crore 33 lakh 72,871.5 of the previous week.

Some 491 issues were traded this week having 169 gainers and 258 losers as against 516 issues having 239 gainers and 221 losers of the previous week.

The volume leaders of the week include Beximco Pharma (74,200 shares sold), Apex Weaving (1,67,868 shares sold), GQ Ball Pen (over 20,000) and Bata (over 17,000).

Price fluctuations of some selected share issues enlisted with the DSE			
Name of issue	Last week's closing price	This week's closing price	Difference
BD Zippers	Tk 148	Tk 144	(-) Tk 4
BD Lamps	Tk 2969	Tk 2965	(-) Tk 4
Singer	Tk 5934	Tk 5967	Tk 33
IDLC	Tk 1868	Tk 1820	(-) Tk 48
1st ICBMF	Tk 1950	Tk 1950	nil
Apex Foods	Tk 2550	Tk 2547	(-) Tk 3
BTC	Tk 172	Tk 168	(-) Tk 4
BOC	Tk 191	Tk 186	(-) Tk 5
Apex Weaving	Tk 134	Tk 130	(-) Tk 4
Beximco Tex	Tk 125	Tk 124	(-) Tk 1
Bex Pharma	Tk 87	Tk 85	(-) Tk 2
Square Pharma	Tk 804	Tk 800	(-) Tk 4
Maq Paper	Tk 168	Tk 164	(-) Tk 4
Shinepukur	Tk 80	Tk 77	(-) Tk 3
Prime Tex	Tk 280	Tk 285	Tk 5
Purbal Ins	Tk 147	Tk 132	(-) 15 (10.2 %)
Bex Denims	Tk 165	Tk 152	(-) Tk 13 (7.88 %)
Housing	Tk 133	Tk 129	(-) Tk 4
Bata	Tk 138	Tk 134	(-) Tk 4
Monno Cer	Tk 793 (-7.47)	Tk 773	(-) Tk 20

Salman leaves for Delhi

SAARC Chamber of Commerce and Industry (SCCI) President Salman F Rahman left here yesterday for New Delhi to attend the SAARC Commerce Ministers' meeting scheduled to be held there on January 8, reports UNB.

He will also attend the inaugural function of the first SAARC Trade Fair and preside over a seminar on "potentialities for investment in the SAARC countries" organised by Federation of Indian Chambers of Commerce and Industry.

The SCCI president will preside over the fifth Executive Committee meeting of the SCCI in the Indian capital.

Oil policy of Saudi Arabia won't change

ABU DHABI, Jan 5: The oil policy of Saudi Arabia will not change, the local newspaper Emirates News reported yesterday, says Xinhua.

The newspaper quoted a Gulf industrial source as saying that the kingdom's oil policy is not going to change as a result of a temporary hand-over of power by King Fahd to his half brother Crown Prince Abdullah.



San Amalan, General Manager, Dhaka Sheraton Hotel, is seen presenting a gift voucher to the best dressed couple Mr. & Mrs. Zapp on Sheraton's New Years Eve programme. Picture also shows noted TV personalities Shafiq Rehman and Abul Hayat and also Director PR Rashida Muhiuddin.

For a long time, the need for a regional focus and constructive approach on the part of the mass media on different issues of common interest to South Asia has widely been stressed. South Asian newspapers have not only been criticised for ignoring developments next door but also for contributing to a distortion of images of neighbours accentuating the already existing strained inter-state relations. The South Asian News Agency is expected to help remedy the situation.

In recent years, there has been phenomenal growth of meetings, conferences and learned discussions on how to realise the seemingly unlimited potential for regional co-operation in South Asia.

Various studies have identified factors like restrictive and discriminatory trade practices, lack of effective communication and other links etc as impeding co-operation in South Asia. Others have pointed to an unavoidable dependence, because of

Concerted efforts must for growth of tourism: Biswas

President Abdur Rahman Biswas yesterday called for coordinated efforts of the government, investors, entrepreneurs and consumers for proper growth of tourism in the country, reports BSS.

He also emphasised the need for developing the communication network and construction of adequate number of hotels, motels and other facilities for attracting the tourists.

The President was speaking at the closing ceremony of Tourism Month '95 at the Osmany Memorial Hall here.

State Minister for Civil Aviation and Tourism M A Mannan, Additional Secretary in-charge of the Ministry Ismail Hossain and Chairman of Parjatan Corporation Dr A K A Mobin, also spoke on the occasion.

President Biswas said that we could not remain complacent when other countries of South Asia had forged ahead of us in the tourism sector. "We should undertake massive programmes for flourishing this highly promising sector and for this we need to ensure appropriate socio-economic and infrastructural facilities," he said.

The President mentioned that tourism was the largest industry of the world today in terms of contribution to the

economy, employment and investment. "More than 10 per cent of the total global output comes from this sector," he said. "Presently 13 crore people are employed in this sector worldwide which would rise by another 12 crore during the coming decade," he said.

President Biswas said that the growth of this sector in the coming years was estimated at 10 per cent annum for the Asia and the Pacific countries.

Exchange rate in RMB yuan

BEIJING, Jan 5: The People's Bank of China issued the market exchange rate in RMB yuan against three major currencies. The middle price of RMB against convertible currencies is mainly based on the closing price of the preceding interbank trading, reports Xinhua.

The designed foreign exchange trading banks will decide the exchange rates in RMB yuan against other convertible currencies according to the tone of the international exchange market and the rules of the People's Bank of China.

US toymaker sues Hong Kong firm

CINCINNATI, Jan 5: Hasbro Inc. has filed a lawsuit to stop a Hong Kong toymaker and its American distributor from selling a toddler toy similar to its Soft Walkin Wheels, reports AP.

The suit filed Tuesday in US District Court alleges that Supertoys Industrial Co. and its American subsidiary, Supertoys (USA) of North Bellmore, New York, copied motorized wheels made by Hasbro's Tonka division.

The Supertoys model is called Mushy Movers.

Hasbro's suit contends that its Soft Walkin Wheels — which come in dump truck, airplane, fire truck and train models — have a distinctive look and feel. The company spent more than 2.6 million dollars to advertise and promote the line since 1994, and has sold more than 1.7 million units worth 18.1 million dollars, the suit said.

Hasbro, of Pawtucket, Rhode Island, contends that Supertoys marketed a similar toy designed to take advantage of Hasbro's advertising. It asked the court for unspecified damages, and to order Supertoys to take Mushy Movers off the market. There was no telephone listing for Supertoys (USA).

BJSA resents withdrawal of ban on raw jute export

Bangladesh Jute Spinners Association (BJSA) Thursday resented the withdrawal of restriction on export of raw jute through land route which, it said, may result in smuggling out of fibre, reports UNB.

In a statement, signed by BJSA chairman Sabir Yusuf, the association feared that the jute goods producers would face a serious crisis of raw jute while many mills might face closure as a result of the withdrawal.

Jute Ministry has recently withdrawn the restriction on export of raw jutes through land route. The restriction was imposed on October 9 last year, considering the interest of the local jute industry.

The association observed that a shortage of raw jute has been prevailing in Bangladesh as well as India, causing price hike in the two countries. Raw jute is being sold at Tk 650 to 750 per maund in the local market, which was Tk 400 to 475 in the recent past.

As a result, it said, the production cost of jute goods have increased by 100-150 US dollar per ton while the price of jute goods only increased by 50-80 US dollar in the world market.

Lanka to appoint ministerial body to protect workers in ME

COLOMBO, Jan 5: The government will appoint a ministerial committee to find ways to protect hundreds of thousands of Sri Lankans working in the Middle East from exploitation, reports AP.

"What is wanting are better welfare facilities, terms of employment and due care for those who have grievances," said Dharmasiri Senanayake, Minister of Media, Tourism and Aviation.

The minister told reporters that a study would be done by the committee which will include officials from the ministries of labour, foreign affairs and women's affairs.

World Bank review of Bangladesh trade policy reforms Infrastructural constraints hold back export sector

Infrastructural constraints including poor but costly port facilities unable to handle the increasing volume of trade, hold back the full response of Bangladesh's export sector to the recent policy reforms, reports UNB.

Making the observation in a recent review of the country's trade policy reforms, the World Bank also cautioned that the future growth of exports in Bangladesh was critically linked to the exporters' access to trade finance.

The World Bank review was appreciative of Bangladesh's progress in removing "regulatory impediments" but expressed a guarded optimism about the prospect of exports being hit by poor infrastructure and dismal functioning of the incentive packages.

Expressing concern over the country's continued "narrow" export base, the review noted that excepting the ready-made garments (RMG), no other export sector could demonstrate any remarkable success over the past years.

The World Bank also ex-

pressed doubt whether Bangladesh, unless it attains further competitiveness, would be able to retain its RMG market in post-MFA (Multi Fibre Arrangement) quota free era after 2005.

The review pointed out that despite efforts at increasing exports, Bangladesh's share of the world exports has actually dropped during the 1972-1994 period.

Dhaka's share of world exports plummeted to 0.04 per cent in 1994 from 0.09 per cent in 1972.

"Bangladesh must provide its exporters adequate infrastructure facilities if the full response of policy reforms is to be elicited," said the review, critically appraising the poor infrastructural facilities.

Growth in containerised cargo from Bangladesh has been "remarkable" while ports are unable to accommodate the pressure.

According to the World Bank review, transit costs are "high" at Bangladesh's ports and attributable to inefficient labour management, shortage of handling equipment which increases turnaround time

for ships, and high domestic trucking costs due to high fuel charges.

It pointed out that total through-costs for Chittagong Port were "much higher" than other Asian ports. Costs for Chittagong are US dollars 600 as compared to 510 for Bombay, 507 for Calcutta, 334.7 for Colombo, 344 for Singapore and 392 dollars for Bangkok.

Meanwhile, according to official statistics, country's exports during the first five months of the current fiscal year fetched 1583 million US dollars marking a growth of only 7.1 per cent against the year's projection of 15.15 per cent.

A concerned Bangladesh Bank Governor, while talking to newsmen on Tuesday (Jan. 2) attributed the below — the expectation performance by the export trade mainly to a chronic port congestion.

The World Bank review strongly advocated that the government should consider expansion of the Mongla port to reduce congestion at Chittagong.

Other than the port situa-

tion, the review noted with concern that exporters across the country, excepting in EPZs, were still plagued with electricity shortage and poor telephone connections which were hampering the growth in exports.

Emphasizing on the increased access of exporters to trade finance for the interest of diversification and the increase of value-addition, the World Bank recommended discontinuation of the compulsory back-to-back usage import L/C and establishment of an export bank.

The review was also critical of malfunctioning of different export promotion schemes, including the poor functioning of the export promotion agencies like Export Promotion Bureau (EPB) and the Duty Drawback and Drawback Office (DEDO).

"EPB's capacity to be an effective promotion agency for Bangladesh's exports has remained weak. Until recently, the EPB spent a large amount of its efforts in monitoring the garment quotas and making arrangements for export fairs," said the review.



The newly elected chairman of Bangladesh Jute Mills Association (BJMA) A M Zahiruddin Khan and Vice Chairman Kamran Tanvirur Rahman called on Jute Minister A S M Hannan Shah at his office on Thursday. — PID photo

Crucial economic changes in France likely this year

PARIS, Jan 5: For the French economy, the New Year will start off with some important economic changes and clashes, starting with application of the first measures of the Juppe reform plan, following President Jacques Chirac's reaffirmation on New Year's eve of his economic and social concerns, reports AFP.

In speaking on television, Chirac particularly reaffirmed his desire to have the government carry through with its planned reform of the French social protection system, putting it on a sound financial basis, "so as to keep, and leave to our children, an efficient social protection system that is fair and accessible to all."

In that connection, the government is now able to shift into higher gear in application of the reform plan developed by the government headed by Prime Minister Alain Juppe, the announcement of which last year gave rise to the most serious social-economic clashes in France in decades — which, inter alia, closed the Paris public transit system for weeks.

That higher gear is possible thanks to the approval on Saturday by the Constitutional Council of the enabling law allowing the government to institute change along the lines of its reform plans by ordinance (as opposed to having to put them through parliament, a long process in case of strong opposition even though the government enjoys a big majority).

Several measures went into effect as of Sunday (December 31), with publication in the official journal of orders increasing some health insurance contributions, reforming corporate "social solidarity contributions," raising the contribution made by doctors to payment of family allowances, and reducing daily payments made to persons on maternity leave.

The first two proposed ordinances, aimed at paying off the social security system's big accumulated debt and at getting the system's accounts back in balance, have been

submitted to business and labour leaders, who are to give their views within 10 days or so.

Those measures, one of which creates the "social debt repayment" tax, a new 0.5 per cent tax on almost all income are expected to be made effective retroactive to the start of this year.

At the same time, some "workshops" are to be set up early this month.

The workshops are to group unions and employers, who will be able to offer their views on the first two ordinances, but above all on the procedures for carrying out the other aspects of the Juppe plan that is to be covered by ordinances by the end of April.

Looking beyond the social security plan, business and labour are also slated to start or resume various negotiations, particularly in connection with reducing the work-week and with youth employment — two points on which Chirac insisted in his Sunday evening New Year's talk to the nation.

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General Motors to begin mass sale of electric cars this fall

LOS ANGELES, Jan 5: General Motors Corp. will begin mass sales of electric cars in California and Arizona this fall, the company announced Thursday, reports AP.

"Well there it is. It's been a long road to getting it here," GM Chairman John Smith Jr said after the two-seater was rolled out at the Los Angeles Auto Show.

GM's EV-1 is derived from its sporty Impact, a prototype designed from the ground up as an electric car. The impact was praised in consumer tests across the nation, but GM earlier decided against mass production because its range was limited to about 70 miles (110 kilometres) and its price was a question mark.

The EV-1 will cost in the mid-30,000 dollars range, plus an undisclosed amount to buy or lease a battery charger, GM said.

Beijing reports progress in curbing inflation

BEIJING, Jan 5: The official verdict on China's 1995 economic performance, released Friday: Not bad at all, reports AP.

China's economic growth slowed slightly to 10.2 per cent in 1995 from 11.8 per cent in 1994, but that was in keeping with the government's efforts to curb inflation, the State Statistical Bureau said in its annual report.

The retail price index, China's main gauge of inflation, earlier was reported to have climbed only 14.8 per cent in 1995 — still not to be sniffed at, but within the government's target of below 15 per cent and well below the 21.7 per cent registered in 1994.

A record grain harvest of 460 million tons, up from 445 million tons from 1994's dismal harvest and from 1993's previous record of 456.5 million tons, helped to curb upward pressure on prices.

Indeed, With the human and material resources available in the region South Asia can and must do better. No doubt the responsibility to improve the situation rests squarely on the authorities in each individual country.

But at a time when both the developed and developing countries in Europe, America, the Asia Pacific and elsewhere are attacking the highest importance to region co-operation as means to protect and promote their economic interest South Asia cannot be the only region to go on debating the role and relative priority of SAARC and keep the well-being of millions of its people hostage to other considerations whatever those considerations may be.

(The writer was the first Secretary-General of the seven-nation South Asian Association for Regional Cooperation and former Foreign Secretary of Bangladesh.)
— SANA News Feature

SAARC Secretariat needs to be strengthened

By Abul Ahsan

limited local production, on-out-of-the-region supply of goods such as machinery, foodgrains and crude oil which comprise more than half the imports of South Asia.

One SAARC study has suggested that since about 40 to 70 per cent imports of individual countries are paid for by funds which are tied, diversion of trade from out of the region to South Asia is not possible however desirable it may be on other grounds.

But the real reason for lack of progress of the South Asian Association for Regional Co-operation (SAARC) goes deeper. It is rooted in the basic attitudes of member-states to regional co-operation itself.

Historical legacies, territorial and other disputes and seemingly irreconcilable na-

tional ambitions and attitudes have to doubt played their role. But some member-states seem to have reservations about assigning any meaningful role or function to SAARC.

From the very beginning, regional cooperation has not been a matter of priority for them.

A look at the SAARC Charter should make the point clear. SAARC is perhaps unique among organisations of its kind in not having any general or specific economic or political goals or targets set for itself.

Most regional organisations including the next-door Association of South East Asian Nations (ASEAN) envisage gradual integration of the economies of member states and progressively closer to co-operation among them in political and foreign

policy fields as their objectives. Many of them have laid down mechanisms for the resolution of inter-state disputes as a desirable objective in its own right or as a vital supportive step to promote cooperation. No such role has been foreseen for SAARC.

Equally significant, SAARC is an inter-state organisation par excellence.

Unlike other successful regional organisations, there is no agency or commission within the SAARC framework to initiate administrator or execute any regional activity separate from individual member-states. The SAARC Secretariat is there but it works at best as a post office.

Finally SAARC activities which are mostly in the nature of meetings, workshops and seminars are funded by voluntary contributions by member-states — another

unique feature.

For SAARC to achieve any real progress, member-states will have to re-orient their priorities and attitudes to the concept of regional co-operation. They must convince themselves that in today's world there is hardly any alternative to regional co-operation. Such co-operation strengthens member-states individually and collectively. Instead of restricting their manoeuvrability, it enhances their capability and freedom of action globally. No programme to revitalise SAARC will be complete without steps to strengthen the role of the SAARC Secretariat and the office of the Secretary-General which are the only institutions with a South Asian focus and regional mandate.

For several reasons, action to strengthen SAARC has already become absolutely necessary. First, democratisation of societies and globalisation of economies are exposing South Asian countries of global competition. Size of market and ever improving technology which demand access to large funds are determining the growth of income and social and economic well-being of nations. The challenge thus posed can only be met by joint action on the part of South Asian nations.

Secondly, the contrast in living conditions between South Asia and other sub-regions of the developing world excluding sub-Saharan Africa, which has been left out from these discussions, has already become very glaring.

According to UNDP Human Development Report 1994, South Asia with a 1992

GNP per capita income of 330 US dollars is way down other sub-regions of the world.

Similarly as against an adult literacy rate of 47 per cent for South Asia, the figure for the next lower group, the Arab states is 57 per cent. The number of infant mortality per every thousand live births is 94 in South Asia as against 47 for Latin American and the Caribbean. As compared to Arab states, South Asia has slightly less than half the number of scientists and technicians per every 1000 population.

Finally the UNDP report estimates that for the decade 1980-90 the percentage of people in poverty in the three most populous countries of the region namely Bangladesh, India and Pakistan stood at 78, 40 and 28 respectively, a dismal picture