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HYUNDAI

CARS THAT MAKE SENSE

Country's automobile trade comes to a standstill due to SRO

By Govinda Shil

Country's second-hand automobile business has come to a virtual standstill following the government's issuance of Statutory Regulatory Order (SRO) from December 12 last year, importers of the reconditioned vehicles said.

To bring back vibrancy in this sector, the Bangladesh Reconditioned Vehicles Importers and Dealers Association (BARVIDA) wrote a letter to the National Board of Revenue (NBR) Monday suggesting reintroduction of Pre-Shipment Inspection (PSI) system as it has been proved as a quick delivery system.

The government replaced the PSI, introduced last year, by previous 'tariff value' system apprehending that PSI system was being misused by a section of importers.

According to PSI, auto

importers were to pay duties on the basis of "Clean Report on Findings (CRF)" which helped to shorten the customs clearances.

BARVIDA president Abdul Huq said if PSI is misused, it is the concerned department's duty to identify the dishonest importers and take legal actions against them.

"Our sales have declined drastically," said an auto-seller at Kakrail of the city. He said, after the issuance of SRO, the price of imported vehicles increased substantially as the duty was increased adequately.

The businessman said although no car has been released after SRO was introduced but it created panic among the importers which led them to raise prices.

BARVIDA said the gov-

ernment could not yet develop an up-dated information system regarding the recent world price of automobiles.

"We paid higher duties when 'tariff value' system prevailed because of lack of proper information available to the customs officials," said a car dealer adding customs officials used to fix price of an imported car depending on speculations.

The demand for reconditioned autos increased sharply following the decline of duty on imported vehicles from 160 per cent to 101 per cent within the current budget, importers said.

"At least 50 per cent of the imported autos never reach the show rooms for display and are sold at the port side," observed another

auto-dealer. He said, these autos mostly cars were being imported without proper documents and by evading taxes. They have no workshop for post-sale services.

BARVIDA president said, our automobile market has been dumped by some dishonest importers who are not the members of the Association.

He suggested that the Association membership should be made compulsory and BARVIDA should be given some regulatory measures to make the business fair.

Importers, however, hoped that the prices of reconditioned car might soon decline.

The president, however, demanded punishment of the unscrupulous persons involved in this business.

Input crisis hits farming in Comilla

COMILLA, Jan 16: At least 71,928 hectares of land could not be brought under cultivation during the current season due to fertilizer crisis, shortage of irrigation facilities and price hike of other agricultural inputs, reports UNB.

Official sources said of the total 2,10,740 hectares land in 12 thanas about 1,69,812 hectares have been earmarked for cultivation of boro paddy, potato, mustard and winter vegetables.

Of the total, 1,05,500 hectares of land have been brought under high yielding and local varieties of boro paddy with a production target of 3,36,750 metric tons while 18,000 hectares have been brought under wheat cultivation with a production target of 36,000 metric tons.

The potato production target in 15,000 hectares of land has been fixed at 1,00,080 metric tons.

The rest 31,012 hectares of land have been brought under the cultivation of mustard, winter vegetables, different types of pulses, groundnut and spices.

Meanwhile, Bangladesh Agriculture Development Corporation distributed agricultural ingredients to the farmers at fixed prices.

Local farmers, however, said the corporation supplied seeds and other inputs which could meet only five per cent of their demand.

They said they are to buy necessary fertilizers, seeds and insecticides at exorbitant prices from the market.

Uplift project in Lalmonirhat

LALMONIRHAT, Jan 16: The activities of socio-economic development projects have got underway in the district after successful implementation of mass literacy programme, reports UNB.

As part of the programme, a four-day training programme for the bankers involved in the activities began at the RDRS training centre on Monday.

Deputy Commissioner and president of the project Kazi Farid Ahmed attended the function as chief guest while representatives from various NGOs, banks and other organisations were present.

Thirty officers of Sonali, Janata and Rajshahi Krishi Unnayan Banks have been taking part in the training who will in turn train up the supervisors of the banks for distribution of credit among 1.84 lakh families of the district living under poverty line.

British financial institutions may make further staff cuts

LONDON, Jan 16: Britain's banks and financial institutions are expected to make further sharp staff cuts in the next three months despite an improvement in their profitability, according to a survey published yesterday, reports Reuters.

The quarterly survey of 286 companies, conducted by the Confederation of British Industry (CBI) and Management Consultants Coopers and Lybrand, showed business optimism had improved and a continuing efficiency drive was boosting profits.

But companies expected to continue laying off staff in the face of tough competition.

"Employment in financial services fell in the fourth quarter of last year at its sharpest rate for two years," the two organisations said. "Further more pronounced job cuts are expected over the coming three months."

CBI Associate Director of Economic Analysis Sudhir Junankar told a news conference that respondents to the survey saw further scope for efficiency gains in which staff costs, a major component of operating costs, would play a central role.

"Companies have responded positively to the strong pressure on their margins by cutting operating costs through employment reductions," he said.

Public transit prices rise in Armenia

YEREVAN, Armenia, Jan 16: Armenia raised public-transit prices in the capital by 50 per cent Monday to raise revenues, reports AP.

The price of subway, tram and trolleybus rides rose to 30 drams — about seven cents. The average monthly wage in Armenia is 3,000 drams, or about 740 dollars.

Government spokesman Vladimir Manoyan said the state has no money to cover transportation expenses.

Realisation of land dev tax in Rajshahi div up by 3.66 pc

NATORE, Jan 16: Rajshahi Divisional Revenue Board realised Tk 24.5 crore as land development tax (LDT) during the last fiscal year showing a rise of 3.66 per cent compared to the previous year, reports UNB.

The board's target for LDT was fixed at Tk 58.72 crore during the period.

Of the target, Tk 26,81,70,114 was due to be realised from the general sector while Tk 5,89,76,121 from various government and semi-government organisations.

But the rate of realisation of tax was 81.3 per cent from the general sector while it was 54 per cent from various government and semi-government organisations.

The realisation of LDT from the general sector against the target exceeded in three districts. These are Dinajpur — 133 per cent; Panchagarh — 110 per cent and Rangpur — 100.2 per cent.

However, Gaibandha marked the lowest realisation — 55.57 per cent against the target.

On the other hand, the realisation from government and semi-government sector was very low. In this case, Rajshahi stands at the highest with 41.7 per cent achievement while Lalmonirhat is the lowest with 0.5 per cent only.

Amir Ali new MD of FDC

Khan Amir Ali, an Additional Secretary, has joined Bangladesh Film Development Corporation (FDC) as its Managing Director, reports BSS.

Ali, a member of BCS (Administration) cadre, served different ministries and divisions before taking over as MD of FDC on Monday, a press release said.



MA Samad, Convenor of the Education sub-Committee of Bangladesh Insurance Association, addressing the participants of the eight-week basic training course on general insurance organised by the association on Monday.

ADB lending, equity investments rise by 50pc from last year

MANILA, Jan 16: Asian Development Bank (ADB) lending and equity investments rose 50 per cent from the previous year to 5.6 billion dollars in 1995, despite a budget crunch, bank President Mitsuo Sato said yesterday, reports AFP.

Total lending to both private and public sectors totalled 5.5 billion dollars, a 49 per cent increase from 3.6 billion dollars in 1994. Technical assistance grants in 1995 amounted to 144 million dollars.

Equity investments in 11 projects in the private sector reached 110 million dollars, the Asian Development Bank said in a statement. Sato said in a news conference at the bank's headquarters here that the 1995 operations raised the bank's cumulative lending to 57 billion dollars.

"I am particularly pleased that the bank progressed so

strongly despite prevailing budgetary restraints," he said without giving figures.

"As you well know, the ADB, like other multilateral institutions, is being asked by its shareholders to do better with less," he added.

He said the bank's "most immediate and the most critical" challenge is the replenishment of latest five-year programme of the Asian Development Fund (ADF), which runs dry at the end of 1996.

Reluctance from the United States and European donors to contribute to the fund has endangered its survival in the next five years starting in 1997.

The ADF is crucial to poverty alleviation because it is lent exclusively to Asia's poorest countries with only a one per cent annual service charge and up to 40 years repayment terms.

It funds socially relevant

projects in health, education and the environment — areas most often ignored by other institutions because of low return on investments.

Sato acknowledged that the increased access of countries to private financing has prompted the bank to gradually shift its role from being a mere lender to a "catalyst" for development and refocus attention on social projects.

"Given the increase in the role of private capital across national borders, we should be shifting from just funding the project to a more catalytic role," he said. "But that does not mean we will stop lending."

The ADB is a development finance institution engaged in promoting the economic and social progress of Asia-Pacific nations. It has 56 members, with Japan and the United States being the biggest contributors.



Executive Chairman of Board of Investment Dr Tawfik-e-Elahi Chowdhury, BB explained the government investment policies and strategies to the Foreign Secretary and few Bangladesh Ambassadors abroad at a meeting held at the Board of Investment office yesterday.

\$400m WB loan for China

BEIJING, Jan 16: The World Bank is to grant loans of up to 400 million dollars to support China's three-billion-dollar project to clean up the severely polluted Huaihe river by 2000, a report said today, reports AFP.

A loan of 50 million dollars has been allocated for 1997, to be spent on building waste-water treatment plants in the river system and helping local enterprises to renovate production facilities and techniques, the China Daily reported.

A further 350 million dollars of loans will be made available if the initial cooperation is successful, it quoted National Environmental Protection Agency (NEPA) official Liu Yi as saying Monday at a two-day Sino-US conference on tackling the river's pollution.

NEPA pollution control Department Deputy Director Zang Yuxiang said 27.5 billion yuan (3.2 billion dollars) would be required for treat-

ment of the 1,000-kilometre (625-mile) Huaihe, which runs through major agricultural regions in the eastern provinces of Shandong, Henan, Anhui and Jiangsu.

The river, which provides drinking water for some 1.5 million people, has over the past decade become one of China's most polluted waterways.

Much of the problem has been caused by the proliferation of factories along its banks, with 70 to 80 per cent of waste water discharge into the Huaihe coming from small paper mills and tanneries.

Some 2.35 billion cubic metres (82.25 cubic feet) of industrial and domestic waste was poured untreated into the Huaihe system each year, severely contaminating the water, the China Daily said, noting that about half the 191 rivers in the basin had turned black and foul.

'Women earn 85 to 95 cents per man's dollar in US'

NEW YORK, Jan 16: The salaries of American women are starting to catch up and even surpass men in some fields but women still earn five cents to 15 cents less in the dollar than American men working in similar jobs, Working Woman magazine reported, says AP.

In a survey being released Tuesday, the magazine found the pay gap for women narrowed significantly in 1995 in some jobs, such as computer analysts, but it widened in others. For instance, women bank tellers, brokers and other financial service representatives made 55 per cent what their male counterparts earned, down from 66 per cent in 1994.

The survey — using figures provided by professional associations, compensation consultants, trade publications and the US Bureau of Labour Statistics — looked at 28 fields for which salaries were available by gender. It found that women typically earned 85 cents to 95 cents per man's dollar.

"One of the big problems facing women is not that they get paid less when they have the same job with the same experience," the article's author, Diane Harris, said in a telephone interview. "The problem is that women are clustered in traditionally female lower-paying jobs."

The survey found that pay inequities varied by industry

and position. Women health managers at hospitals earned about 30,212 to men's 44,200 dollar, or 68 per cent. That was a decrease from 1994, when women in those positions earned 79 per cent of men's wages.

Harris said she could not explain why salaries decreased in some areas.

The news for women was brighter in other fields, with some women professionals earning more than their male co-workers.

For instance, a woman chief financial officer at a university or college earned 104,506 dollar, compared with her male counterpart's 95,004 dollar, about 110 per cent as much. But a woman chief executive officer at a university typically earned 138,800 dollar, to a man's 155,500 dollar, or 89 per cent.

There are very few women who make it into those positions and those who do are highly, highly qualified," Harris said. "The problem for those women is not pay equity, it's getting there in the first place."

The magazine survey, examining the salaries of workers at public companies, found the top paid woman in corporate America is Linda Wachner, President and CEO of Wamacco/Authentic Fitness Corp., who made 3.5 million dollar in salary alone.

EU single currency plan by '99 remains on track

BRUSSELS, Jan 16: Plans to create a single European currency by 1999 remain on track, the European Commission insisted yesterday, staunchly refusing to respond to growing speculation that the economic slowdown in France and Germany has made a delay inevitable, reports AFP.

Unveiling preliminary plans for a campaign to sell the euro to the European Union's 370 million citizens, Finance Commissioner Yves Thibault de Silguy said Germany, the EU's locomotive economy, was simply experiencing a cyclical pause and was not about to slip into recession.

"The fundamentals are safe," he said, citing evidence of high profitability and investment rates as indicative that the current slowdown was only a temporary one.

De Silguy's optimism clashed with a wave of sceptical comment in France and Germany at the weekend following last year's revelations that German growth was virtually non-existent in the last quarter of 1995.

The slowdown, which will reduce growth across Eu-

rope, has cast doubt on whether key participants in Economic and Monetary Union (EMU), particularly France, will be able to meet tough debt and deficit targets laid down in the Maastricht Treaty in time for a 1999 launch.

"Maastricht is obsolete. Maastricht is dead," French industrialist Jacques Calvet said on Sunday.

Germany's ruling Christian Democrats, however, signalled their strong political commitment to EMU with the unveiling of a reflationary jobs package designed to get the economy back on course by the end of the year.

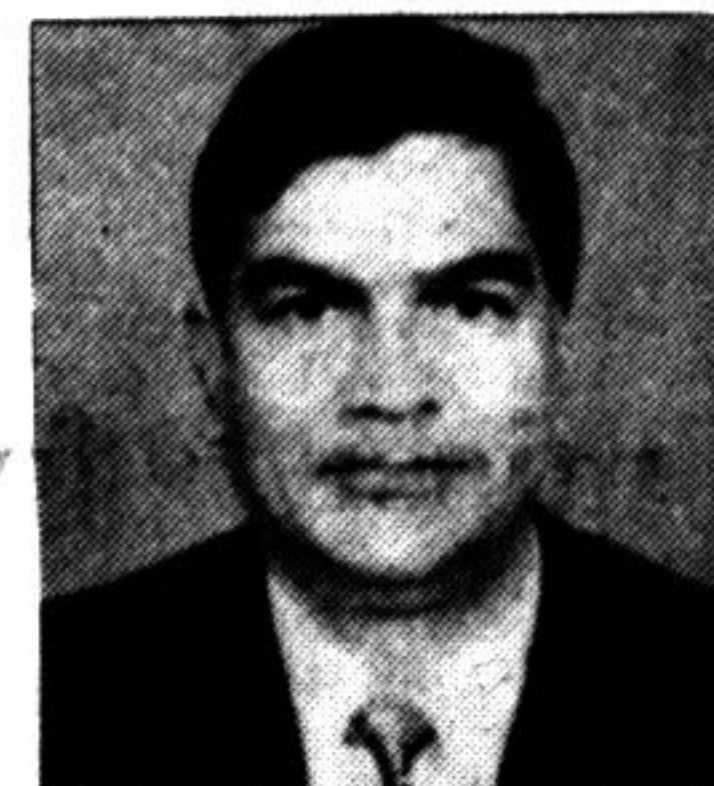
In any case, De Silguy said the commission had no choice but to press ahead with its campaign to prepare the public for the enormous changes that the switch from national currencies to the euro would bring on the assumption that it would be introduced on January 1, 1999.

"We need to be ready to turn the engine on," he said. Even if there was a delay, nothing would be lost by campaigning now. De Silguy indicated.

PDB Central Zone realises Tk 83 lakh electricity bills

2578 electricity connections were mapped for non-payment of outstanding bills amounting to Taka 83 lakh 24 thousand in Central Zone of the Power Development Board (PDB) during the month of December '95, says a press release.

Of the total number 1207 connections were disconnected for non-payment of Taka 27 lakh 81 thousand in Sylhet Circle, 921 for non-payment of Taka 27 lakh 63 thousand in Mymensingh Circle and 450 for non-payment of Taka 27 lakh 80 thousand in Planning and Development Circle of the zone.



New MD of Nepal-Bangla Bank

The Board of Directors of Nepal-Bangladesh Bank Ltd in its 20th meeting held on January 12 at Kathmandu, Nepal, confirmed the appointment of Kazi Khalilur Rahman as the Managing Director of the bank, says a press release.

Before joining Nepal-Bangladesh Bank Ltd, a joint venture bank between IFIC Bank Ltd and Nepalese sponsors, Kazi Khalilur Rahman worked in different positions in IFIC Bank Ltd.

He started his banking career from Karachi, Pakistan by joining Habib Bank Ltd and continued to work with Agra Bank Ltd (Previously Habib Bank Ltd) till mid-August 1983.

Paris to announce new steps to boost econ growth

PARIS, Jan 16: The French government will announce some new measures for stimulating economic growth on a time-table to be coordinated with Germany, a French government source said yesterday, reports AFP.

The steps will be announced some time between the end of this month and mid-February, the source said.

The news came just hours after French President Jacques Chirac told correspondents that France and Germany must coordinate their policies to lead Europe into a cycle of growth. He had discussed this question a few days ago with German Chancellor Helmut Kohl and initiatives would be taken, he said.

Indian economy set to grow by 5.8 pc

NEW DELHI, Jan 16: India's economy is set to grow by 5.8 per cent year-on-year in the fiscal year to March 31, 1996, a research body said yesterday, reports AFP.

Signs of a continued high rate of industrial production are also visible in the current financial year, the National Council of Applied Economic Research (NCAER) said in its quarterly report.

Indian industry grew at a rapid pace of 10 per cent year-on-year during the first three quarters of the financial year, it said.

Japan upgrades economic assessment as industrial output rebounds

TOKYO, Jan 16: Japan's economic planning agency upgraded its economic assessment today following a rebound in industrial production, saying the economy is pulling out of a prolonged period of stagnancy, reports AFP.

"The economy is seen pulling out of the state of standstill, although the move is slow," the government agency said in its latest monthly economic report.

The agency's monthly report, based on the latest available economic data, is regarded as the government's official verdict on the economy.

In December it said "the economy remained at a standstill." In the January report, the agency attributed the improvement to a "rebound in industrial production, along with 'bright movement' seen in consumer spending and housing investment."

The higher consumer spending was led by increases in sales of home-use audio and visual electric appliances and the number of tourists in the month," said an agency official briefing reporters.

The official also said there were better signs in capital outlay, adding that it was reassuring that capital investment in the private sector "is on a gradual recovery course."

is keeping close watch on inventory adjustment and the unemployment rate, which stood at 3.4 per cent in November.

"The inventory build-up slowed in November in some sectors such as chemical makers, but we are unsure if the trend will continue in December and January," the official said.

The agency added it was unclear if the emerging trend of declining exports would continue, citing the month-

on-month rise of 7.4 per cent in November after three consecutive declines.

Voters oppose govt plan
Another report says more than 70 per cent of Japanese voters oppose a government plan to use taxpayers' money to help liquidate seven debt-ridden housing loan companies, according to a newspaper poll published today, reports AFP.

The government last month announced a plan to

use 685 billion yen (6.6 billion dollars) in public funds to help liquidate the troubled companies. The new government formed Thursday by Ryutaro Hashimoto announced that it would enforce the plan.

The weekend poll of the Nihon Keizai Shimbun, a major business daily, showed 72.4 per cent of respondents saying financial institutions should bear the burden and the use of taxpayers' money was "not necessary."



Commodore (retd) Mohammad Aatur Rahman, Chairman of the Board of Directors of Islami Bank Bangladesh Limited, addressing as chief guest the inaugural ceremony of branch managers' conference '96 of the bank at a city hotel on Friday.