

Dhaka to receive Tk 82 cr assistance from France

Bangladesh will receive financial assistance amounting to 102.235 million France franc, grant 40.285 million France franc and soft loan 61.95 million France franc, equivalent to about Taka 82 crore from France under the financial protocol of 1995 which was signed here yesterday, reports BSS.

Abu Saleh, Joint Secretary, ERD, and Mrs. Renee Veyret, Ambassador of France, signed the financial protocol on behalf of their respective governments.

The fund will be utilised to implement the projects of T and T Board, Dhaka WASA, Civil Aviation Authority, Survey of Bangladesh, medical college hospitals and FAP programme.

The loan fund bears a rate of interest of 1.80 per cent and is repayable over 30 years including a grace period of five years.

Rupali Bank increases interest rates

Rupali Bank has increased the interest rates for various deposit accounts with effect from March 1, says a press release.

It will help generate savings habits among the prospective depositors.

The interest rates for savings account has been increased to 6.50 from 5.50 per cent for short term deposits to 5.50 from 5.00 per cent.

The interest rates for fixed deposits for the period of three months and above but less than six months has been increased to 7.25 from 6.25 per cent, for six months and above but less than one year to 7.50 from 6.50 per cent, for one year and above but less than two years to 7.75 from 6.75 per cent, for two years and above but not above three years to 8.50 from 7.00 per cent.

ROK's trade deficit may be \$4b

SEOUL, Mar 4: South Korea's customs-cleared trade deficit for January and February is expected to amount to approximately four billion dollars, a Bank of Korea official said yesterday, reports AFP.

The central bank forecast a total 1995 trade deficit of eight billion dollars, the official said.

Though the trade deficit usually tends to increase rapidly in the first months of every year, he described this year's growth as "too high."

In January, the customs-cleared trade deficit was 1.9 billion dollars.

The official attributed the widening trade gap since the turn of the year to a declining export growth rate and unabated import growth, in line with the slowing economy.

UK grant to CSKS

British High Commission yesterday handed over two cheques to Chinnamul Shishu Kishore Sangstha (CSKS) and Bangladesh Centre for Development, Journalism and Communication (BCDJC) for their two projects, reports UNB.

High Commissioner Peter J Fowler handed over the cheques for Taka 2.5 million to Nilufar Rahman of CSKS and Taka 3.82 lakh to Nayeemul Islam Khan of BCDJC at a simple ceremony, said a press release.

CSKS received the grant for constructing a shelter for street children at Aganagar in old Dhaka to provide night refuge for 1,000 children, mostly girls. It will also be used as vocational training centre for street children.

BCDJC will use the amount to pilot a new quarterly periodical 'Bangladesh Journalism Review' which is aimed to provide a forum for debate and professional guidance on practices and standards in the country's media.

IFC optimistic of increased foreign capital in Bangladesh

A top official of International Finance Corporation (IFC) has expressed optimism of increased foreign private investment in Bangladesh, reports BSS.

Jemal-ud-din Kassum, the visiting Vice President (Operation) of IFC, said that the overall "environment here is moving towards private sector growth" and hence likely to attract foreign capital.

He said IFC was close to entering contracts with two or three projects, results of which will be visible in few months.

Kassum was holding discussions with the members of the executive committee of the Federation of Bangladesh

Chambers of Commerce and Industry (FBCCI) at Federation Bhaban in the city yesterday.

IFC is an affiliate of the World Bank that lends credit to private sector.

Admitting that the corporation had a very negligible presence (4.4 million in Bangladesh compared to 535.3 million in Pakistan and 807.1 million US dollars in India so far) in the past, Kassum said that IFC was "very keen" to raise its investment in this country. He, however, made it clear that IFC is a catalyst of private sector growth and not an initiator. The initiative must come from locally.

Kassum said he was very impressed with the progress

of Bangladesh — and stated that macro economic indicators, reasonable growth, significant deregulation and emphasis on private sector growth are all encouraging for foreign capital inflow.

He mentioned that last year IFC's global investment was around three billion US dollars in about sixty countries. IFC invests in a host of areas, ranging from capital market development to construction of power house, he added.

Welcoming Kassum and Ms Denise Leonard, Chief of IFC's Regional Mission in Delhi, FBCCI President Salman Rahman expressed his belief that IFC could make major contributions to assisting private

sector growth in Bangladesh. He said wider participation of Bangladesh's economy would induce greater flow of direct foreign investment (FDI).

Salman Rahman, while expressing displeasure at IFC's low level of investment in Bangladesh despite its appreciable track record of macro economic development and speedy execution of liberalisation process, asked the visiting IFC official to look into the causes of such a sorry state of the corporation's involvement.

Why Bangladesh has been "left out," has to be ascertained, he said.

The FBCCI chief said there was no option left in the country but to allow the private sector to participate meaningfully in areas such as power and telecommunication development, exploration of natural resources and development of transport system which had hitherto been the domain of the public sector only.

These are the potential areas where IFC can assist the domestic private sector and promote collaboration with foreign investors, he said and expressed the hope that IFC would come forward in promoting private sector in a significant way.



Jemal-ud-din Kassum, Vice President of International Finance Corporation, met the business community at the Metropolitan Chamber of Commerce and Industry in the city yesterday. Samson H-Chowdhury, President, MCCI is seen on his left.

All directors of US fund for Czechs, Slovaks quit

WASHINGTON, Mar 4: All directors of an investment fund created by the US government to help the Czech and Slovak republics move from communism to private enterprise have quit, reports AP.

The operation's future will be decided by an interim board to be named by President Clinton, the US Agency for International Development said Sunday.

The Czech-Slovak American Enterprise Fund has been regarded as the most troubled of a dozen funds created by Congress during the Bush and early Clinton administrations to attract capital to foster private business in former Soviet bloc countries.

Amid allegations of personal irregularities, the fund's founding chairman, former Treasury official and banker John R. Petty, resigned in November, setting off a chain of departures climaxing with resignations last Tuesday by the replacement chairman and the last two remaining members of the seven-member American board, said AID spokesman Jay Byrne.

The fund has spent 41.3 million dollars of 65 million dollars authorised by Congress

as seed money for private business, in former Czechoslovakia, now the separate Czech and Slovak republics, according to AID statistics.

However, it has not achieved the same level of success as most of the other funds, Byrne said.

He said its future interim board is likely to decide among three options: To continue managing existing investments and concentrate more on the Slovak Republic, now regarded as more acutely in need of capital than the Czech Republic; phase out completely since private investment is becoming more available in the region; or merge with one of the other funds, some of which deal with several countries.

Petty, now 65, was an assistant Treasury secretary under President Nixon. He retired in 1988 as chairman of New York's Marine Midland Bank and founded a financial management company. When he was named to organize the Czech-Slovak Fund in 1991 he brought with him Alexandra Ossipoff, his executive assistant and personal friend, later naming her director of operations.

Inflation in Hungary averages 28 pc

BUDAPEST, Mar 4: Inflation in Hungary averaged 28.2 per cent last year, the Magyar Hirlap daily newspaper reported, citing data from the Central Statistical Bureau, reports AFP.

Consumer prices rose 1.2 per cent in December from November, against a rise of 1.5 per cent in December 1994, and according to economic research institutions, the overall trend began to show a slight decrease towards the end of the year after a quick mid-year rise following the introduction of central austerity measures in March, Magyar Hirlap said.

The largest consumer price increases last year were registered in June and July, when prices were up 31 and 30 per cent respectively from those in June and July, 1994.

Prices were up four per cent in January last year from December 1994, followed by monthly increases of 2.8 per cent in February, four per cent in March, 2.6 per cent in April, 2.4 per cent in February, four per cent in March 2.6 per cent in April, 2.4 per cent in May, 1.2 per cent in June, 0.9 per cent in July, 0.4 per cent in August, two per cent in September, 2.3 per cent in October, 1.6 per cent in November and 1.2 per cent in December.

Performance of Padma Textiles reviewed

A meeting of the Board of Directors of Padma Textile Mills Ltd was held at the company's head office in the city on Sunday, says a press release.

Presided over by A S F Rahman, Chairman of Beximco Group, the meeting was attended by Marc Rackman of Commonwealth Development Corporation, C M Alam of IPDC of Bangladesh, M A Qasem, Director, and A B Siddiqui Rahman, Director, Beximco Group.

The Board considered the annual audited accounts for the year 1995 and recommended its approval in the next AGM of the company. The Board of Directors has also recommended a dividend.



The British High Commissioner Peter J Fowler handing over a cheque to Nilufar Rahman of Chinnamul Shishu Kishore Sangstha at a simple ceremony at the High Commission in the city yesterday.

Japan's business confidence improves but jobless picture remains bleak

TOKYO, Mar 4: Japan's business confidence improved slightly in February, the Bank of Japan said yesterday, but the unemployment picture remained bleak, particularly for the young, says AFP.

"Overall, the latest survey reaffirmed our assessment that the economy is resuming its recovery," said Masayuki Matsushima, Bank of Japan Research and Statistics Department Director General.

The Bank of Japan's quarterly survey of businesses showed the diffusion index for large manufacturers, of the difference between positive and negative views of the economy, rose to minus 12 points from minus 14 in November.

Major manufacturers are projecting an even better outlook when the next survey is conducted in May, with the index expected to be at minus six points.

But Matsushima said the ongoing improvement in sentiment did not indicate the

immediate start of a self-generating recovery supported by strong growth of consumer and capital spending.

"We have to continue to check carefully whether the ongoing recovery, supported by macro economic policy, will enter a self-generating recovery," Matsushima said, adding that "improvements in business sentiment continue to be modest due to emerging concerns over the deterioration of offshore demand."

Economic Planning Agency Vice Minister Makoto Kobayashi said the report showed "stronger signs of economic recovery" than the agency's own monthly economic report released late

last month.

Kobayashi said the report indicated Japan's economic recovery was not as strong as some economists had forecast, but the data was "in line with the government's expectations."

Despite business seeing "slightly brighter picture for the economy, for the unemployed the situation remained gloomy."

Japan's seasonally-adjusted unemployment rate stayed at a record high of 3.4 per cent for the third consecutive month in January, the management coordination agency said Friday, still the worst since it began compiling data in 1953.

The jobless rate for men

was steady at 3.4 per cent but the rate for women deteriorated 0.2 percentage points to 3.5 per cent, the agency said.

The seasonally-adjusted number of the unemployed reached 2.3 million in January, also the worst since 1953, exceeding the previous record of 2.19 million in September 1995, the agency said.

"The labour situation remains severe particularly for the young and people around retirement age," an agency official said, adding "We cannot say when it will improve."

On an unadjusted basis, the plight of young workers continued to deteriorate, the official said.

In the 15-to 24 age group,

SAARC chamber team to visit Bonn, Brussels

By Staff Correspondent

A 15-member delegation with senior level business personalities from all the seven-member SAARC countries will visit Germany and Belgium this month.

The team will be headed by SAARC Chamber of Commerce and Industry (SCCI) Vice-President A K M Shamsuddoha.

The objective of the visit is to exchange ideas with the leading European parliamentarians about the importance of South Asia as a region of promise in terms of their role in economic arena.

The visit will take place from March 3 to 10, says a press release.

The delegation will also meet the heads of European Commission and its relevant departments to introduce SCCI and its future plans to them. The discussion will be held on

the level and model of cooperation between government and private sectors.



Shamsuddoha

The delegation is also expected to sign an agreement with Euro-Chambers for increased cooperation among the private sector constituents of the two regions of Europe and South Asia.

Tk 2 lakh Japanese help for 3 NGOs

The Japanese government will provide nearly 200,000 US dollars under its Small Scale Grant Assistance (SSGA) to help three Bangladeshi NGOs to purchase necessary equipment and gear up their cooperation activities towards social welfare, reports UNB.

Minister at the Japanese Embassy to Bangladesh, Shuhei Takahashi, signed the three non-governmental organisations in Dhaka Saturday, says a press release.

The counterparts are: Dr Ahmed Neaz, Director General of Family Planning Association of Bangladesh (FPAB), Prof Mahmudul Haque, President of Bangladesh Friendship Education Society, and M Mokhlesur Rahman, Executive Director of Jubo Academy.

Under the contracts, the Japanese government will provide 68,157 US dollars for the Bhatpara Women Multipurpose Training Centre Project by FPAB for the construction of a

training facility, training materials and equipments for collaborating to improve family planning, income generating activities and women literacy.

Bangladesh Friendship Education Society will get 59,302 dollars for its Health Nutrition Education Materials Development project to meet the cost of health and nutrition related printed materials to improve effectiveness and capabilities of those working in the field.

An amount of 69,614 dollars will be used for the construction of the Holyolya Adarsha Bidyaniketan building, designed to improve rural education.

A total of 17 NGOs so far received grant assistance from the SSGA which started its schemes in 1988 to extend grants to NGOs directly.

In this fiscal, nine NGOs received a total of 558,119 dollars to collaborate their efforts to promote Bangladesh social development in grassroots level.

Asia-Pacific units mixed against US dollar over the week

HONG KONG, Mar 4: Currencies across the Asia-Pacific region had a mixed week against the US dollar, reports AFP.

JAPANESE YEN: Lost ground against the dollar during the week as the US unit gained support from its strength against the mark. The Japanese currency stood at 105.31 yen to the dollar in afternoon trading Friday, compared with 104.77 yen a week earlier. The Japanese unit rose to around 104.00 yen on Wednesday but fell back on the following day, since the dollar advanced against the mark due to investor cautiousness ahead of a possible interest rate cut at a German Bundesbank council meeting later in the day.

AUSTRALIAN DOLLAR: Rose almost one US cent over the week but dealers warned the currency could drop Monday in the first day of trade after the Saturday general

election here.

The currency closed at 76.38 US cents compared to 75.50 US cents last week.

HONG KONG DOLLAR: Ended the week at 7.731-7.732 the US dollar, marginally up from the previous week's 7.732-7.733 range.

SINGAPORE DOLLAR: Weakened to 1.4123 to the US dollar from 1.4085 at the previous week's finish. The Singapore currency fell as the greenback was boosted by signs of weakness in the German economy which sparked talk of lower German rates, dealers said.

NEW ZEALAND DOLLAR: Closed Friday worth 67.48 US cents, unchanged from a week earlier, the Kiwi was tending downward during the week although Friday saw it rise to 67.52 during the day.

INDONESIAN RUPIAH: Closed on Friday at 2322 rupiah to the dollar or three ru-

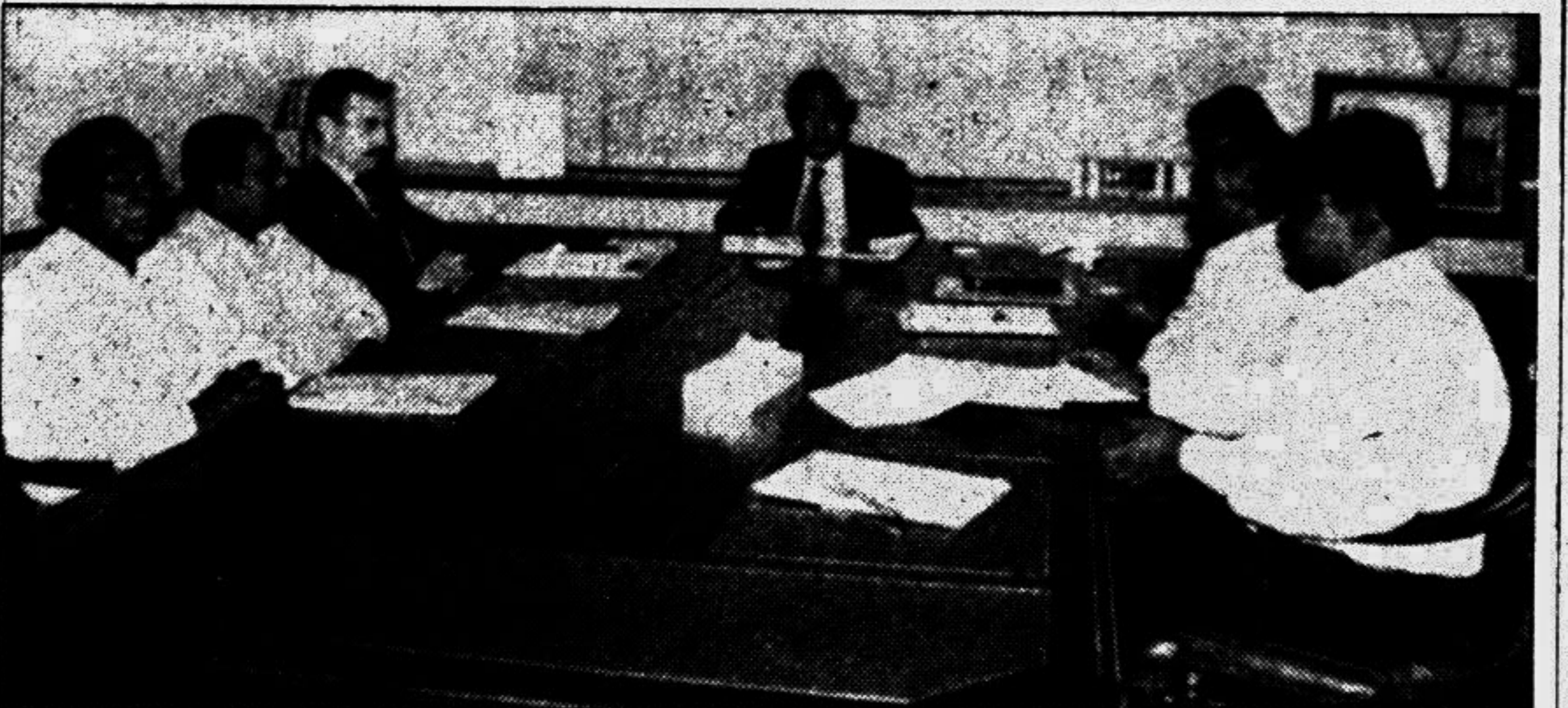
piah stronger than at closing on Friday the previous week.

MALAYSIAN RINGGIT: Closed slightly higher against the US dollar this week on expectations of improved December trade figures to be released soon. The local unit opened the week 75 points higher to close at 2.5450 from 2.5525 last week.

PHILIPPINE PESO: Lost 1.3 centavos against the dollar, depreciating to 26.175 to the greenback from 26.162 on February 23.

SOUTH KOREAN WON: Strengthened against the greenback, trading at 780.70 to the US dollar on Saturday compared to 789.20 a week previously.

TAIWAN DOLLAR: Retreated slightly against the greenback, at the close the US dollar stood at 27.497 Taiwan dollars, up 1.4 Taiwan cents from the previous week's finish of 27.483.



A S F Rahman, Chairman of Beximco Group, presided over a meeting of the Board of Directors of Padma Textile Mills Ltd. at the company's head office in the city on Sunday.

New GM of Agrani Bank at Khulna circle

A new General Manager joined the Khulna circle of Agrani Bank recently, says a bank press release.

He is MA Yousoof. Before taking up his present assignment, he was the Deputy General Manager of Bangladesh Krishi Bank of Khulna division.

A professional banker, Yousoof authored a book called 'Agricultural Credit Management in Bangladesh-Problems and Prospects'.

He co-authored a book titled 'Transactions in Foreign Exchange-Principles and Practices'.

BRIEFS

YANGON, Mar 4: Royal Brunei Airways will begin service to Yangon in October, the state-run New Light of Myanmar reported Saturday.

Brunei and Myanmar had already signed a civil aviation agreement allowing their national airlines to fly to each other's capitals.

Royal Brunei Airways General Manager George Tan said the service will be biweekly and its inaugural flight will coincide with the beginning of the government's promotion of Visit Myanmar Year in October.

Separately, the paper reported Saturday that Japanese Hotelier Nikken Rentacom Ltd has signed a memorandum of understanding with Burma's Ministry of Hotels and Tourism to build a 25 million dollars, 350-room hotel in Mandalay.

It will be the first Japanese-owned hotel in Mandalay. Burma's second largest city, 560 kilometres (350 miles) north of Yangon.

Two Singaporean companies, Applied Investment Asia and Straits Steamship Land, have already begun construction of hotels in Mandalay.

BANGKOK: Bangkok's boom of mega mall building is coming to a close as developers and retailers realize they can't compete by offering more of the same, an international real estate consulting firm said in a report received by The Associated Press on Monday.

There are more than 50 mega malls already open or under construction in Bangkok and its surrounding suburbs. They include Future Park, Fashion Island and Seacon Square, three of the largest malls in Southeast Asia.

"While the emphasis over the past two years had been on biggest is best," said a report from Jones Lang Wootton, a real estate consultant, "there will be an increased need for (shopping) centers to identify and target a specific market niche, if they are to succeed."

The report also noted that the focus of mall development had shifted from central Bangkok to the suburbs, a reflection of retailers' attempts to reach the growing Thai middle class as opposed to tourists and overseas workers.

An oversupply of retail space will keep the average rental of dirrs 600 per square meter per year about constant over the next two years, the report said.

NEW DELHI: Indian scientists say they have produced a carbonated wine with tropical fruits such as mangoes, bananas and papayas, a news report said Monday.

The wines were made by India's leading alcoholic beverage manufacturer, Kedia Castle Dalleon Industries, according to UV Singh, the company's chief biochemist.

The company produced wine and brandy using other fruits such as pineapples, guavas and litchies, Press Trust of India news agency reported.

The carbonated wines are said to trap the carbon dioxide produced in fermentation.

Wines are now usually made with grapes or apples, he said.

Singh said his research team produced a clear liquid from a mixture of fruit juices and enzymes and then fermented it with a slow-growing yeast.

Wines thus prepared preserve the taste of the fruit," he said.

The technology would help use thousands of tons of fruit that otherwise would perish because of a lack of cold storage, he said.

WELLINGTON: Callander Ltd, a subsidiary of the Malaysia-based Tiong Group, has quit its 12.23 per cent stake in New Zealand's Port of Tauranga company.

In a substantial security holder notice, Callander said it quit the port company on March 1. Callander bought the bulk of its stake during 1994 for an average price of 1.24 New Zealand dollars (83 cents).

On Friday utilities investor Infratil said it has raised its stake in the port from 7.3 per cent to 19.97 per cent through the purchase of 9.7 million shares at 1.60 New Zealand dollars (1.00 dollars).

BRISBANE: Conservative prime minister-elect John Howard's incoming government has been urged to give Australia's beef exports a political push to overcome collapsing world prices.

With Asian markets in a frenzied downward spiral last week, analysts said the 30 per cent to 50 per cent price plunge could worsen the situation.

Union president John Furell said. As the US has proven, politics beats promotion any day.

Despite lacking the fire power of the United States, Furell said Australia's beef exports could be improved if political pressure was placed on the nation's trading partners.

Beef producers have planned a national investigation into the price fall which was averted by the due of Australia's beef exports in a week.