



## British Commercial Information Centre to be set up soon

Within the next week, Bangladesh businessmen will be able to access information on conducting business with Britain from a unique British Commercial Information Centre here, reports UNB.

British High Commission and the British Council will jointly operate the centre in collaboration with Dhaka Chamber of Commerce and Industry, said a press release.

Located at the DCCI building at 65-66 Motijheel Commercial Area, the centre has been equipped with funds provided by the Southern Asia Advisory Group (SAAG) of the UK-based Department of Trade and Industry (DTI) and the DCCI.

The centre will be a convenient first point of contact for Bangladeshi firms and businessmen who wish to obtain directory information on the availability of goods and services from Britain.

Services to be provided include a business enquiry service (self-access and face-to-face), business and trade journals, newspapers, directories and CD-Rom facilities. This will be in addition to the existing services of the commercial section at the British High Commission.

Other planned activities will include surgery sessions with BHC commercial staff, presentations on export advice on opportunities, and exhibitions. In due course, it will also augment British Council initiatives for promoting British education and training opportunities and encourage export-oriented development in Bangladesh.

The centre is a further indication of the British government's commitment to strengthening trade ties with Bangladesh. Trade between Britain and Bangladesh has been flourishing. In 1995 the rates of increase in UK exports and imports were 60.3 per cent and 49.5 per cent respectively.

## KL considering social welfare rules for privatisation

KUALA LUMPUR, Apr 18: Malaysia is considering requiring buyers of newly privatised state companies to pay for education, housing for the poor and other social programme, a senior leader said Thursday, reports AP.

Deputy Prime Minister Anwar Ibrahim, speaking to reporters after opening a national conference on social justice, said, "companies shouldn't focus only on profits while leaving the government to shoulder their social obligations."

Anwar said he had asked the government's Economic Planning Unit to draw up guidelines.

"They forget about their workers' welfare, their responsibilities to relieve the burden of the poor and provision of basic amenities to the needy," Anwar said.

Malaysia has sold its phone company, airline and power company over the past 15 years in an attempt to cut state spending and encourage economic growth. It is expected to sell water, ports, railways, airports and toll roads soon.

The guidelines on social programme will apply to companies to be privatised soon.

"If they accept our conditions, we offer them. If not... no," he said.

## Coca-Cola profits up by 12 pc

ATLANTA, Apr 18: Coca-Cola's profits rose by 12 per cent in the January-March quarter as stronger sales in the United States offset weakness in Latin America, the company said, reports AP.

Net income for the three months totaled 713 million dollars, or 57 cents a share, compared with 638 million dollars, or 50 cents a share, in the first quarter last year. Revenue for the quarter was 4.2 billion dollars, up nine per cent from 3.9 billion dollars in the same period a year ago.

"This kind of growth is right in line with our long term goals," Coke Chairman Roberto C. Goizueta said Wednesday.

The company's stock, however, was off 1.25 dollars per share at 80.125 dollars on the New York Stock Exchange.

Worldwide case volume sales rose by seven per cent, off slightly from the nine per cent gain registered a year ago.

## US still considering trade sanctions against China

WASHINGTON, Apr 18: Preliminary approval of a 160 million dollar loan guarantee for the sale of three Boeing airliners to China should not be taken as a signal the administration has decided against imposing trade sanctions on Beijing, a State Department spokesman said Wednesday, reports AP.

Spokesman Glyn Davies said that the action by the Export-Import Bank "doesn't hamstring the secretary of state in any way."

Secretary of State Warren Christopher has said he hasn't decided yet whether to recommend that President Clinton impose sanctions on China in response to Beijing's sale of nuclear technology to Pakistan.

Christopher plans to meet Friday in The Hague with Qian Qichen, the Chinese foreign minister. High on their agenda will be the sale to Pakistan of Zing magnets, which can be used to enrich uranium, so it can be used for nuclear weapons.

The Export-Import Bank approved the loan guarantee Tuesday for purchase of three Boeing 767-300 passenger jets by China's Yunnan Airlines.

The loan guarantee was the first China deal approved after expiration of a State Department request that the bank hold off for 30 days on new loan guarantees.

Congress has 30 days to block the loan, an action considered unlikely given its importance to the US airline manufacturing industry.

In February, Christopher asked the bank to defer any new loan guarantees for China for 30 days while he pondered whether to recommend imposing sanctions.

The bank, which is an independent agency, agreed to hold off on new approvals.

The 30 days expired March 23 and the State Department made no request for an extension.

## Finance Adviser stresses need to contain urban poverty

Adviser in charge of the Ministries of Finance and Planning Dr Wahiduddin Mahmud yesterday stressed the need for a special emphasis on containing the urban poverty as it was going to be a big problem for Bangladesh, reports BSS.

"There has to be an overall study to reduce poverty and the urban poverty should be given a special emphasis," he said while addressing as the chief guest the inauguration of a day-long workshop on the "Study of urban poverty in Bangladesh" being held in Sonargaon Hotel here.

With Secretary of the Planning Division of the Ministry of Planning Dr Shah M Farid in the chair, the inaugural function was also addressed, among others, by ADB's Resident Representative in Dhaka Bhanuphol Horyangura, Dr P B Rana of ADB's resident mission in Dhaka, Rafiqul Islam Khan and Abdur Rahim Bhuiyan of Planning Commission.

Ministry of Planning and the ADB are jointly organising the workshop held in two sessions dealing with, among other issues, poverty concept and measurement, methodology issues, poverty incidence, contribution of urban sector to the economy, credit to urban poor for income generation, health and education services, housing and slum upgradation, infrastructural and utility ser-

Dr Wahiduddin Mahmud said the urban poverty had long been a neglected area with a little emphasis on it in the past.

He described the study of ADB on urban poverty as a pioneering one and said, "If we want to reduce urban poverty, it has to be a part of the overall poverty alleviation."

Dr Mahmud also said that urban poverty in Bangladesh was being assumed as a spillover of the rural poverty. "If progress is designed in away to increase backup support, then it will be a facilitating factor," he observed.

Bhanuphol Horyangura, giving a detailed account of the Asian poverty, said that the number of absolute poor remained very high although the incidence of poverty had been substantially reduced in many Asian economies.

He said the poor people in Asia were close to one billion which included 660 million in South Asia. "Bangladesh alone has about 55 million people below the poverty line of which about 8-10 million are in urban area," he added.

The ADB Resident Mission chief also referred to the present population in Asian cities numbering about one billion and said this would be more than two billion by the year 2020 which would account for

about 75 per cent of the Asian region production.

"Also by the year 2020, the region will contain 14 megacities with population ranging from 10 to 30 million people. Dhaka is one of these megacities," he said.

Dr P B Rana said the study of urban poverty in Bangladesh was basically a household level survey in Dhaka, Chittagong, Khulna, Rajshahi, Barisal, Sylhet, Dinajpur and Tangail and two thanas including Hajiganj and Pangsha.

"In addition to the household surveys, surveys of selected urban institutions, service agencies and NGOs were done along with preparation of policy papers in this regard," he also said.

Speaking about the poverty incidence, Rana said 61.3 per cent of the urban households in Bangladesh fall below the absolute poverty line and 40.2 per cent fall below the hardcore poverty line.

He said the corresponding figures for Dhaka are 54.9 per cent and 31.9 per cent respectively while the poverty incidence in other metropolitan cities, secondary towns and thanas are higher.

Rana said the study measured poverty line based on income and expenditure related to daily normative calorie intake plus 25 per cent adjustment for non-food items.

## BKB disburses Tk 82 cr loan in 11 S-dists

BARISAL, Apr 18: Bangladesh Krishi Bank, Barisal region, disbursed Tk 82.17 crore as agriculture loan among the farmers of eleven southern districts till the first week of the current month from July last, reports BSS.

The districts covered by this programme are: Barisal, Jhalakati, Bhoala, Pirojpur, Patuakhali, Barguna, Faridpur, Madaripur, Gopalganj, Rajbari and Shariatpur.

According to an official source, the bank fixed a target of Tk 124,69,49,000 to be disbursed among 2,25,951 farmers of the region through 191 branches during the current fiscal year.

This loan is being disbursed for aus, aman, boro, potato, mustard, wheat, vegetables, pisciculture, women entrepreneurship development programmes and purchase of oxen and agriculture equipment and for setting up poultry farms, dairy farms, etc.

Of the total, Tk 6.93 crore was disbursed in Barisal district, Tk 3.88 crore in Jhalakati, Tk 7.42 crore in Bhoala, Tk 7.79 crore in Pirojpur, Tk 9.49 crore in Patuakhali, Tk 7.45 crore in Barguna, Tk 10.93 crore in Faridpur, Tk 6.92 crore in Madaripur, Tk 5.18 crore in Gopalganj and Tk 8.27 crore in Shariatpur districts.

Meanwhile, the Krishi Bank realised Tk 59.18 crore outstanding agriculture loans.

## Call to uphold dignity of Bangladesh Bank

Khorshed Alam, Governor of Bangladesh Bank yesterday asked officials and employees of the bank to be more active and dynamic to discharge their duties with a view to upholding the image and dignity of the central bank, reports BSS.

He was addressing the general managers and senior officials of the bank at its conference hall. Deputy Governor Mahabubur Rahman Khan, executive directors and economic advisers of the bank were also present on the occasion, a press release of the central bank, reports BSS.

The Governor referred to the adverse situation, particularly in production and export sectors and said, "Bangladesh Bank has an important role to play in making these sectors operative and dynamic as soon as possible."

"I call upon you all to take part wholeheartedly in this process," he told the officials.

Khorshed Alam also referred to the loss incurred by the garments industry recently and said all commercial banks were advised to extend their cooperation to respective clients for settling it bilaterally.

He stressed the need for bringing dynamism in other export sectors like shrimp production, frozen food, jute, leather and tea.

The Governor directed all divisions of the bank, which

are directly involved with service to the people, to raise the standard of their activities.

He also called for performing all activities of the bank efficiently.

### OPEC leaders meet Saddam

BAGHDAD, Apr 18: OPEC leaders met President Saddam Hussein on Wednesday to discuss Iraq's possible return to the oil market if it clinches an oil-for-food deal with the United Nations, reports AFP.

"We are looking anxiously to welcome Iraq back into the market," OPEC Secretary General Rilawanu Lukman told a press conference after talks with Saddam and oil minister Amer Mohammad al-Rashid.

Lukman was with the cartel's President Amar Makhluhi on the first OPEC visit to Baghdad since UN trade and oil sanctions were imposed on Iraq after its August 1990 invasion of Kuwait.

Saddam "expressed strong support for our organisation and hoped that our mission will succeed in making OPEC stronger and encouraging solidarity," said the Secretary General.

The OPEC leaders at the end of a tour of member countries raised the issue of whether the cartel's members were respecting their production quotas.

## People in poorest states living longer: WB

WASHINGTON, Apr 18: People in the world's poorest countries are living longer and better lives than they did 25 years ago, though many still have to get by on a dollar a day or less, the World Bank said Wednesday, reports AP.

The bank in a report entitled "Social Indicators of Development—1996", said that since 1980 one additional child out of every 100 in the world's poorest countries has been entering elementary school each year. India, for example, reported 80 per cent of its girls in primary school in the 1980s. In the late 1970s, only 62 per cent made it.

The 400-page survey looks at 65 countries, mostly in southern Asia and Africa, with a population of 3.2 billion. Their per capita national incomes averaged only a few cents over a dollar a day in 1994, the latest year available.

Ten years ago, people in the poorest nations lived only on an average age of 54. Now it's 63, the bank said in a statement.

The bank noted that progress varies widely from region to region.

"While East Asia... has had significant success in reducing the proportion of impoverished people," it said, "southern African countries show a decline in living standards, and progress in reducing poverty... has been slight."

## Global growth on upward path: IMF

WASHINGTON, Apr 18: World economic output is projected to climb 3.8 per cent in 1996 and 4.3 per cent in 1997, says the International Monetary Fund (IMF) in its semi-annual economic outlook report, says USIS.

Though the report is slightly less optimistic than its forecast six months earlier, the IMF said that global growth continues "at a satisfactory pace, supported in particular by buoyant growth in many emerging market countries."

The report, released April 17, is produced by the staff of the IMF and does not reflect the views of the IMF member countries.

The staff revised down its forecasts in part because growth slowed more markedly than expected during 1995 in western Europe and North America.

However, IMF Economic Counsellor Michael Mussa told reporters April 17 that much of that slowdown ended during the first quarter of 1996 and there are clear signs of pickup in Europe and in Japan, where growth is expected to accelerate to 2.7 per cent this year and 3.1 per cent in 1997 from 0.9 per cent in 1995.

"A number of positive trends and developments point to the likelihood of continued, relatively solid world growth in the period ahead," the report said. "Global inflationary pressures remain subdued... real long-term interest rates are significantly higher than in 1995. And exchange rates among the major currencies have returned to levels more consistent with fundamentals, following the misalignments that arose in the spring of 1995."

Inflation is forecast to moderate somewhat in all regions in 1996 and growth in world trade is projected to dip to 6.4 per cent this year from 8.7 per cent in 1995, the report said.

The US growth rate is projected to slow to around 1.8 per cent in 1996 from 2.0 per cent in 1995 and then accelerate to 2.2 per cent in 1997.

The report said that fears of slower US growth in 1996 have diminished with the publication of recent economic data, especially for employment. It warned, however, that confidence in financial markets would be shaken unless Congress and the White House resolve their differences and move toward further fiscal

deficit reduction this year. The IMF recommended that substantial tax cuts should be postponed until after deficit reduction is achieved.

The IMF said that growth slowed more sharply than expected during 1995 in western Europe, and Germany is expected to grow just 1.0 per cent this year, following 1.9 per cent in 1995. Lower short-term interest rates should boost German activity in 1997, it said.

### Unemployment in UK drops to 5-year low

LONDON, Apr 18: Government unemployment figures showed a drop to a five-year low in March, but officials attributed the change Wednesday to bureaucrats who went back to work after a strike and resumed the processing of job applications, reports AP.

The new figures, showing a jobless rate of 7.8 per cent, reversed a rise in February's jobless numbers, which went up as the workers went on strike and created a backlog.

Modest growth in the industrial countries is not expected to dampen economic activity in the developing world, the report said.

Aggregate developing country growth is projected to rise from 5.9 per cent in 1995 to 6.3 per cent in 1996 and 6.4 per cent in 1997, the IMF said.

It said that growth in the emerging market economies of Asia is likely to remain particularly strong, although growth in 1996 is expected to moderate somewhat in India, Indonesia, Korea, Malaysia, Singapore and Thailand.

The report said that China appears to have been able to reduce rapid price increases without depressing economic activity. Inflation-adjusted growth is projected at 10.2 per cent this year and 10 per cent in 1997, while consumer prices are forecast to fall from 14.8 per cent in 1995 to 10 per cent in 1996. The IMF warned that fast money growth in China threatens to reverse the progress. It urged China to tighten budget expenditures for state-owned enterprises, accelerate trade liberalisation and remove remaining exchange restrictions.



Iraqi leader Saddam Hussein (R) greets Algerian Energy Minister and president of the Organization of Petroleum Exporting Countries (OPEC) Ammar Makhluhi in Baghdad on Wednesday. Makhluhi briefed Saddam on the possibility of Iraq's return to the international oil market if Baghdad reaches agreement with the UN Security Council on an oil-for-food deal. — AFP/UNB photo



Desmond Quiah, Country Manager, Showket Hossain, Country Sales and Marketing Manager, DHL Worldwide Express, Bangladesh, seen along with David Kimber, Director, Regional Management Development centre, DHL Asia-Pacific Region, and managers from South-Asia and Indo-China countries at the concluding ceremony of leadership training held recently in Singapore.

## Israeli assault on Hezbollah positions causes \$100m damage in Lebanon

BEIRUT, Apr 18: Israel's week-long assault on Hezbollah positions in Lebanon has caused at least 100 million dollars in damage and lost business activity, economists said yesterday, reports AFP.

"The damage is difficult to precisely evaluate but the figure of 100 million dollars is very realistic," said financial expert Nabil Aoun.

The bombings have also panicked people who have rushed to the bank to exchange 150 million dollars worth of Lebanese pounds, a practice inherited from the country's 15-year civil war.

But the exchange rate has remained stable since the beginning of the Israeli military operation on April 11 thanks to intervention by the central bank of Lebanon.

"The bank, which for three years has pursued a policy of monetary stability, has three to four billion dollars in reserves to defend the pound," Aoun said.

Nabil Jisr, head of the government's Development and Reconstruction Programme, told AFP that "the repairs to the civil war-damaged

infrastructure would continue in areas far from the military operations."

The government has budgeted 17 billion dollars to rebuild the country's infrastructure after the 15 year civil war, which ended in 1990.

Israel added to the damage by striking two power plants this week outside Beirut, causing about 60 million dollars in damage and plunging the country back into electricity rationing.

Electricity of Lebanon, which invested 500 million dollars in rebuilding the network, had maintained uninterrupted supplies.

However, ten cost in lost agricultural production business activity and tourism is estimated at 40 million dollars, according to economists.

Finance Minister Fuad Sanjors said the Israelis really want to cripple the Lebanese economy.

"The Israelis want to embarrass the Lebanese government by creating instability on

the political, social and economic front," he told reporters.

"What are the motives of Israel to bombard electric transformers?" he asked. "There are no Hezbollah guerillas there."

"They really want to put Lebanon in a situation where, when the time comes for a real solution in the Middle East, Lebanon would be in a very bad situation, full of wounds, and could not play a role," he said.

Freddie Baz, an economic expert at the Lebanese business bank Audi, said Lebanon could lose a point from its expected seven-per cent economic growth rate in 1996. Its gross national product was 11 billion dollars in 1995.

"Most private businesses, whether they are Lebanese or foreign, are maintaining their projects because they don't believe the grim years of the war will come back and that when peace comes, an economic boom will hit the country," Baz said.

## China asked to scrap uranium plant deal with Iran

WASHINGTON, Apr 18: The United States has asked China to scrap an agreement with Iran to build a uranium plant that could be used to bolster Tehran's nuclear weapons programme, a US official said yesterday, reports AP.

The plant to be built near Estafan in central Iran will convert milled uranium ore into gas that could be used for weapons fuel, according to a US intelligence report quoted in the Washington Times.

Chinese nuclear technician are to arrive in Iran on Thursday to begin building the plant under the deal.

"We have urged the Chinese not to go forward in assisting Iran with nuclear programme at any level, a state department official said.

"It is not a facility designed for weapons," the official said, but he added that any step by Iran we consider to be movement towards creation of weapons.

He noted that the agreement does provide for international supervision unlike the deals China has negotiated with Pakistan to help develop its nuclear capability.

The United States is considering whether China's alleged sale of zing magnets used in gas centrifuges to produce uranium, the main ingredient in bomb-making, was in violation of US law and should trigger sanctions.

Washington is also discussing the alleged sale of cruise missiles to Iran which could lead to sanctions, the official said.



Md Shafiqul Haque Chowdhury, Chief Executive, ASA, and A. A. Koreshi, Managing Director, BASIC Bank seen signing an agreement on 'small credit programme' in the city on Wednesday.