

**Well-Mounted Split Air Conditioner**

**SANYO**

**Transfin Trading Limited**

7.80.000

Sole Distributor in Bangladesh

**HYUNDAI**

CARS THAT MAKE SENSE

**\$ 5.7m Dutch fund to UNICEF**

The Netherlands government will provide 5.7 million US dollars to the UNICEF to fund a nationwide communication campaign over 18 months promoting the correct use of oral rehydration therapy (ORT) in Bangladesh, reports UNICEF.

An agreement to this effect was signed here yesterday between the Netherlands government and the UNICEF, Ambassador of the Netherlands Robert Arthur Vormis and Rolf C Carriere, UNICEF representative in Bangladesh, signed the agreement.

ORT, which involves giving to a child with diarrhoea an increased amount of fluid and continuing feeding, has been proven to be life-saving treatment against deaths due to diarrhoeal dehydration. ORT also includes the use of oral rehydration solution, a mixture of salt, molasses and water.

Despite the availability of this low-cost and easily made remedy, diarrhoea is still the second biggest child killer, with government estimates showing over 25,000 child deaths per year.

The strategies of this campaign is to turn the correct use of ORT into a social movement through community involvement and communication activities, both in national and sub-national level.

**Car pollution kills 1100 per year in major French cities**

PARIS, June 13: Pollution from car exhausts is responsible for nearly 1,100 premature deaths every year in major French cities, a study by the French Society of Public Health (SFSP) said yesterday, reports AFP.

The study, extracts of which were published Wednesday in the daily Le Monde, estimated the number of pollution deaths from respiratory or cardiovascular at 870 in 21 large cities and the number from sulphur dioxide pollution at 215.

It said particles emitted from car exhausts were also responsible for 5,700 hospital admissions for respiratory conditions every year.

The documents said that a fall of 20 per cent in particle pollution, which does not represent all pollution, would save between 150 and 200 lives a year. Particles from diesel engines made up the major part of dusts suspended in the atmosphere in the urban environment, the study said.

Its findings were released as the French parliament prepared to debate on Wednesday a clean air bill in a first reading presented by Environment Minister Corinne Lepege.

The report to be formally published at the end of the month, is a statistical extrapolation to 21 French cities of a study carried out on the cities of Lyon and Paris by the SFSP as part of the European Union Project APHEA (Air Pollution and Health), covering 15 European cities.

That study, published in February, said that air pollution caused the premature deaths of between 1,000 and 500 people from cardiovascular disease each year in Lyon and of between 260 and 350 in the Paris area.

**China may make renminbi unit convertible on current account**

HONG KONG, June 13: China aims to make its renminbi currency convertible on the current account by the time it hosts a meeting of the International Monetary Fund (IMF) in Hong Kong in 1997, the Asian edition of the Financial Times said yesterday, reports Reuters.

The paper also reported that Chinese President Jiang Zemin was expected to address the September meeting, just months after the British colony reverts to Chinese rule on July 1, 1997.

If all the conditions are met and we could announce this (convertibility) at the annual meeting of the IMF next year, that would be very good for us," the paper quoted Dai Xianglong, Governor of the People's Bank of China, as saying.

The paper reported that IMF officials had been urging China to use the occasion of the meeting to sign the fund's article VIII, which commits members to current account convertibility.

Dai added that preparations for current account convertibility would proceed amid expectations that the exchange rate would remain stable for the rest of 1996 or longer.

China has no formal timetable for achieving convertibility although it is committed to doing so by 2000 under its ninth five-year plan, running from 1996 to 2000.

The renminbi, now standing at 8.3 yuan to one US dollar, has appreciated since a 1994 devaluation.

**Tk 14 cr budget for N'ganj Pourashava**

NARAYANGANJ, June 13: The Narayanganj Pourashava has approved its budget of Taka 13,98,71,031 for the year 1996-97 compared to Taka 9,25,10,243 for the year 1995-96, reports BSS.

According to Pourashava sources today, the budget shows an increase in the revenue income by 51.19 per cent over the last year's budget.

The main sources of revenue in the budget are taxes Taka 4,67,28,058, fees and others Taka 2,18,50,000, total government grant Taka 2,36,69,550 and last year's opening balance Taka 4,76,23,423.

The heads of expenditure are salary and establishment Taka 1,98,81,000, health and conseryancy Taka 15,45,000, education and tree plantation Taka 66,95,000, repair and construction of roads and drains and slum Taka 6,29,79,050 closing balance Taka 89,70,981.

The sources said that massive development works would be taken to improve the civic amenities of the town dwellers including the construction of a children's park and a community centre.

**Iran may earn \$ 60m from caviar exports this year**

TEHRAN, June 13: Iran will earn an estimated 60 million dollars from caviar exports this year despite a steady decline in production, an official said yesterday, reports AFP.

Yahya Mohammad-Zadeh, the head of state-owned fisheries company Shilat, told a press conference that 112 tonnes of the total expected 115 tonnes production had been pre-sold to Japanese and European companies.

Last year, the country exported 146.3 tonnes of caviar earning 40 million dollars.

An average rise of 50 per cent in caviar prices on international markets accounted for the higher revenue, Mohammad-Zadeh said, adding the fish-egg delicacy was being traded at 430 dollars per kilogram (2.2 pounds).

The collapse of the Soviet Union in 1991 led to the creation of three independent states around the Caspian — Azerbaijan, Turkmenistan and Kazakhstan — where poachers use tightly-knit nets to catch sturgeon before they are big enough to lay eggs.

The authorities have blamed the dwindling reserves on overfishing, smuggling and pollution, caused mainly by the flow of industrial and chemical wastes into the sea.

The collapse of the Soviet Union in 1991 led to the creation of three independent states around the Caspian — Azerbaijan, Turkmenistan and Kazakhstan — where poachers use tightly-knit nets to catch sturgeon before they are big enough to lay eggs.

**UN, Iraq complete food distribution plans**

BAGHDAD, June 13: Iraq and the United Nations have virtually completed food distribution plans that are part of the limited oil-for-food deal approved last month, Iraqi and UN sources said yesterday, reports Reuters.

The sources said Iraqi and UN relief officials in Baghdad intend to send the plans to UN Secretary-General Boutros Boutros-Ghali by the end of the week after finishing some minor details.

They said both sides were rushing to have all the formalities completed as quickly as possible.

Iraq is preventing a visiting team UN arms inspectors from entering certain sites in the country for what it describes as national security reasons. The standoff has marred again Baghdad's ties with the UN Security Council.

A UN source said the escalating tensions between Baghdad and the council had no bearing on progress of negotiations to carry out the May 20 oil deal, which allows Iraq to sell two billion dollars of oil over six months to meet humanitarian needs.

The two sides are meeting at Iraq's foreign ministry of finalise the arrangement," the UN source said.

"We have nothing to do with Iraq's problems with UN arms monitors. Our mandates differ," the source, requesting anonymity, said.

The Iraq source said the work of other UN teams in Iraq was proceeding as usual.

A team of seven experts, including customs and oil specialists, is in Iraq inspecting oil installations and the pipeline network to prepare the ground for the stationing of UN oil monitors.

Another team of 20 arms experts is dismantling Iraq's main germ warfare facility, Al-Hakam, 80 km (50 miles) south of Baghdad.

**'Britain exports 'mad cow' infected animal feed'**

LONDON, June 13: Britain exported huge amounts of animal feed potentially tainted with 'mad cow' disease between 1988 and 1991, continuing after bans being imposed by some countries, a report said Wednesday, reports AFP.

The British Review Nature said that more than 70,000 tonnes of animal-based products for animal feed-meal and bone meal — were exported over the three years 1989-1991 mainly to Israel and Thailand.

The figures, released on Thursday, included more than 25,000 tonnes in 1991 when bans on such products were in place in several European Union countries.

"Mad cow" disease, or Bovine Spongiform Encephalopathy (BSE), has been shown to be passed on my animal feeds including parts of carcasses of cows which died from the disease.

The disease may possibly be passed on to humans who eat contaminated beef, in the form of Creutzfeldt Jacob Disease (CJD), a degenerative brain conditions.

An official from the British Veterinary Association said that he had warned the government of the dangers of exporting the feed, but that his appeals were brushed aside.

British figures showed that animal feed exports doubled between 1988 and 1989, and most of this increased was accounted for by exports to France, which had been the main importer of them for some years.

At the time, the European Commission felt it unnecessary to impose a worldwide ban on British animal-based feeds because London had promised to stop these exports.

**Huge stocks of obsolete pesticides threaten environment in South : FAO**

ROME, June 13: Large amounts of unused pesticides are posing a serious threat to the environment and public health in developing countries, according to a study released by the UN Food and Agriculture Organisation (FAO).

FAO estimates that there are more than 100,000 tonnes of pesticides in developing countries, 20,000 of which are in Africa. Several countries in Asia and Eastern Europe have stocks in excess of 5,000 tonnes each. Among the highly toxic and persistent substances are DDT, Dieldrin and HCH (Hexachlorocyclohexane). Most of these pesticides are left over from pesticide donations provided by foreign aid programmes. Due to the absence of environmentally sound disposal facilities stocks

**US consortium announces big investment in Northern Ireland**

BELFAST, June 13: A US consortium on Wednesday announced the biggest investment in Northern Ireland since the peace process took hold here two years ago with a substantial chunk of jobs creation, Belfast's worst unemployment spree reports AP.

Emerson Electric Corp. of St Louis, Mo. and Caterpillar Inc. of Peoria, Ill. announced a 175 million dollars joint venture Wednesday to establish three new factories making diesel-powered generators in Northern Ireland.

Emerson and Caterpillar came to Northern Ireland partly because of the British government's offer of 36.4 million (56 million dollars) in aid for the five-year project. But it had a lot to do, too, with Emerson's good experience in a place that other multinationals assume is too risky.

Two plants will be built and operated on sites already owned by Emerson's Northern Ireland subsidiary, FG Wilson Engineering Ltd, which employs 1,100 and exports diesel generators worldwide. Those two new factories are projected to employ another 1,100 workers in predominantly Protestant areas north of Belfast.

The third new factory will employ 400 in Catholic west Belfast, the heartland of the outlawed Irish Republican Army and a few hundred yards (metres) from the Berlin-style "peace line" that separates it from the Shankill, a similarly poor Protestant neighbourhood.

Neighbourhoods in the area suffer high unemployment rates of 40 per cent to 80 per cent, and for years the British government had despaired of attracting a major employers.

For once, the British and Gerry Adams, a west Belfast resident and leader of the IRA-allied Sinn Fein party, had something to agree about.

"This investment is an unprecedented endorsement of Northern Ireland by two of the most successful, innovative and respected blue chip corporations in the United States," said Baroness Denton, the British government's economy minister in the province.

**UK to provide \$ 6m more for research into mad cow disease**

LONDON, June 13: The British government is to provide up to four million pounds (six million dollars) in extra funds for research into 'mad cow' disease this year, Agriculture Minister Douglas Hogg announced yesterday, reports AFP.

The money will be on top of the additional one million pounds already allocated, and means that up to 10.4 million pounds will be available from the agriculture ministry this year, he said in a statement.

He added that detailed research work began on Bovine Spongiform Encephalopathy (BSE), or 'mad cow' disease, as soon as the disorder was first identified in 1986.

Since then over 30 million pounds have been allocated to more than 186 research projects, while 55 projects were being funded this year — a number which would grow thanks to the new money, according to the statement.

"We are totally committed to eradicating BSE. Scientific research is a key element in achieving this," Hogg said.

The full programme of new work has yet to be finalised.

But the extra funds are likely to go towards research into diagnostic tests, studies into the persistence of the BSE agent, and investigations into the safe disposal of potentially infected material and into alternative uses for rendered carcasses and by-products.

The current 'mad cow' crisis was triggered in March when the British government admitted possible links between BSE in cattle and a degenerative human brain disorder.

**Consumer inflation up in US**

WASHINGTON, June 13: Consumer inflation was up 0.3 per cent last month, pushed higher by another jump in gasoline prices and the biggest increase in the cost of natural gas in nearly 14 years, reports AP.

The US Labour Department reported Wednesday that the May increase in its Consumer Price Index was a tad slower than the 0.4 per cent gains registered in both March and April.

But the slight slowdown failed to soothe inflation jitters in the bond market, where investors are convinced that a rebound in economic activity is going to push the Federal Reserve to begin raising interest rates, possibly as soon as the July 2-3 meeting.

Treasury's benchmark 30-year bond, a key determinant of long-term borrowing costs, climbed to 7.19 per cent, the highest level in more than a year and up from 7.12 per cent on Tuesday.

Stocks fell victim to the worsening mood of the bond market, giving up an early afternoon gain of more than 26 points to finish the day with the Dow Jones industrial average down 0.37 at 5,668.29.

The issue is not whether the Fed will tighten but when," said Robert Dederick, chief economic consultant at Northern Trust Co. in Chicago. "I think the economy is going to show enough strength that the Fed will be concerned about inflation."

The Federal Reserve engineered three cuts in interest rates from July 1995 through January of this year. But since February, there have been increasing signs that the economy has rebounded, including last week's report that employment grew by 348,000 jobs last month, twice what had been expected.

For the first five months of this year, consumer prices are rising at an annual rate of 4.1 per cent, sharply above the 2.5 per cent increase turned in for all of 1995.

But excluding food and energy, the so-called core rate of inflation was rising at an annual rate of three per cent, matching the increase for all of 1995.

Bruce Steinberg, an economist at Merrill Lynch, said the core rate of inflation shown in both the CPI and Tuesday's report on wholesale prices showed that underlying price

**Singapore drops criminal investigation against two Barings executives**

SINGAPORE, June 13: Singapore said Thursday it has dropped a criminal investigation against two former Barings executives in connection with the British bank's collapse from fraudulent trading by Nick Leeson, reports AP.

"After careful consideration of all evidence, the Commercial Affairs Department has recommended to the attorney general that there are insufficient grounds to bring criminal charges against them," an official statement said.

The announcement by the CAD, Singapore's white collar crime police, marks the final chapter in the criminal aspect of the case.

Meanwhile, Singapore liquidators of Barings Futures were pursuing a set of civil cases to recover losses from various individuals, including Leeson.

The criminal investigation in the wake of the February 1995 collapse of Britain's oldest investment bank was directed against James Bax, former managing director of Barings Futures Singapore, and Simon Jones, a former director of that company.

"I am extremely pleased and relieved. It brings to an end an extremely turbulent period which has gone on virtually since February 1995," said Bax's lawyer, Bill Rickard.

Bax and Jones, both British nationals, were given back their passports, which had been seized during the investigation, a few months ago. Both men were believed to be in Britain.

The CAD said it also was dropping investigations against Edmund Wong, the director of

Contact Software Engineering Pte. Ltd., and Daniel Argyropoulos, a close friend of Leeson, who worked alongside Leeson at the Singapore International Monetary Exchange.

Wong, a computer consultant for Barings, was suspected of falsifying company financial records to cover Leeson's fraud.

"Argyropoulos, a US citizen and a former trader with First Continental Singapore, had driven Leeson to the airport in February 1995 for a flight to Malaysia when its became apparent that Barings was about to collapse."

Leeson went underground as he hopped from Kuala Lumpur to a beach resort on Borneo before catching a flight to Frankfurt in a bid to reach London. But he was arrested by German police and extradited to Singapore last year. He was tried and sentenced in November.

The Commercial Affairs Department said the attorney general had reviewed the evidence that it gathered against the four men.

The attorney general "has

directed that no further action in this direction be taken with respect to these individuals," it added.

Bax was once the Singapore boss of Leeson, who is now serving a 6 1/2-year sentence in a Singapore prison for cheating to hide his losses. But in 1992, Leeson was told to report directly to London.

This meant that he was not only the chief futures trader but also the head of settlements, in essence he was policing himself.

Bax tried to blow the whistle on Leeson.

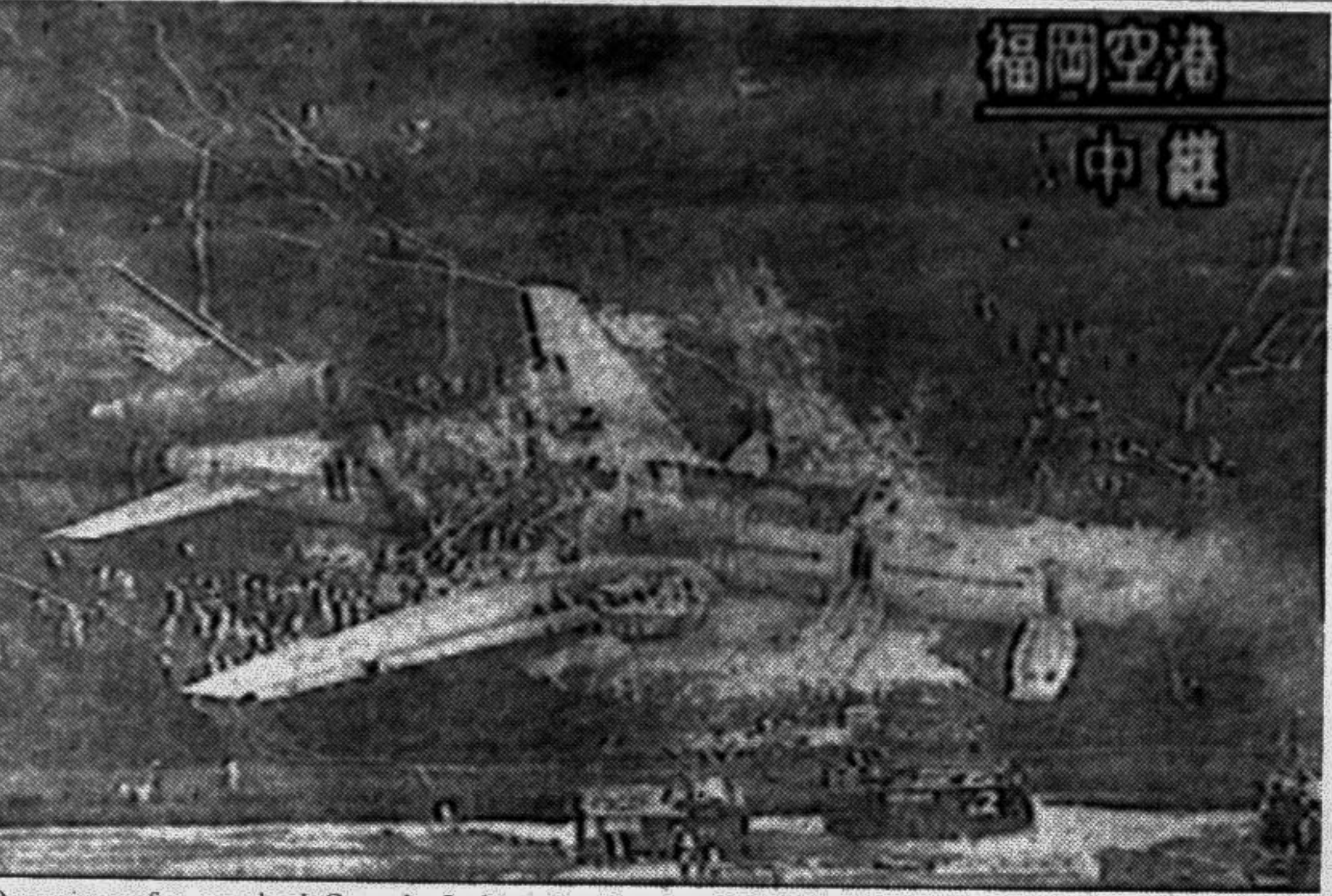
In a letter to Barings headquarters, dated March 25, 1992, Bax warned his superiors about the lack of clarity over to whom Leeson was to report.

"My concern is that we are... setting up a structure which will subsequently prove disastrous," the letter said.

In Singapore, Leeson began betting on the direction of a group of Japanese stocks in the winter of 1994. He was expecting the stocks to rise, but they kept going down following the Kobe earthquake.

To cover his losses, Leeson kept doubling his bets until all the case reserves of Barings — some 660 million pounds (£1.36 billion dollars) — were wiped out, bringing down the 232-year-old bank.

Barings Futures operated as a subsidiary of Barings PLC, the British merchant bank's holding company. Bax and Jones were nominal directors of Barings Futures, necessary because Singapore law requires locally domiciled directors.



Wreckage of a crashed Garuda Indonesia Airways DC-10 in Fukuoka International Airport, western Japan, June 13. The airliner bound for Jakarta carrying 275 people crashed just after taking off the runway. — AFP/UNB photo

**Japan's central bank to maintain stance on low interest rates**

TOKYO, June 13: Bank of Japan Governor Yasuo Matsuhashita said yesterday the central bank would maintain its stance on low interest rates to assist economic recovery, reports AFP.

"I understand that the current official discount rate is at an unprecedented level and that it is now having a positive impact on the economic recovery," Matsuhashita said at a news conference.

"Therefore, we will retain our stance while carefully watching economic developments," he said.

The bank cut its official discount rate to 0.5 per cent in September.

He said the Bank of Japan would focus on "ensuring conditions for the sake of a sustained economic recovery in line with the current policy."

Japan's long-term credit and trust banks cut their long-term prime lending rate from 3.6 per cent to 3.3 per cent Wednesday.

Matsuhashita said the central bank's latest quarterly survey of business confidence confirmed the domestic economy was recovering at a modest pace on the back of a rebound in consumer spending and a pick-up of corporate sector capital spending.

Matsuhashita said he would monitor the near-term trend of semiconductor prices, as they were emerging as factors that may undermine a steady recovery.

**China to recruit civil servants through open exam in July**

BEIJING, June 13: China will hire more than 700 civil servants through open examination in July, its biggest recruitment since introduction of the new system in 1994, the China Daily said today, reports Reuters.

The open examination system replaced a previous practice of hiring government employees through official recommendation and from graduates of state-run schools or colleges.

"Such large-scale recruitment in the central organs through open examination is unprecedented," the newspaper quoted Vice Minister of Personnel Zhang Zuezhong as saying.

Working in the government used to represent status and security, but an increasing number of people are joining the millions of private enterprises that have mushroomed since they were legalised in the late 1980s as part of China's economic reforms.

A total of 737 people would be hired in the July examination, a 49 per cent jump from 1995, and they would work at 61 government organisations, Zhang said.

Only permanent Beijing citizens under the age of 35 can take part in the examinations, which will be on computers, business management and English, the newspaper said.

FAO recently completed a waste disposal project involving about 260 tonnes of obsolete pesticide stocks in the Republic of Yemen. Storage sites were cleaned and pesticides were shipped to incineration. In Zambia, nearly 350 tonnes of toxic waste will be disposed of in collaboration with the German Agency for Technical Cooperation. In addition, an action plan for the containment and disposal of pesticide stocks for Africa and the Near East is currently being developed with assistance of the government of the Netherlands.