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HYUNDAI
CARS THAT MAKE SENSE

Koreans keen to set up industrial park in Ctg

Korean investors are interested to set up a "Korean industrial park" at the eastern side of the river Karnaphuli in Chittagong. South Korean ambassador to Bangladesh, Jong Kyon Byun, said in the city, reports BSS.

Ambassador Byun who called on Minister for Commerce and Industries Tofael Ahmed at his chamber said all development works including infrastructure development of the park covering an area of 2150 acres would be done by the Korean investors.

They discussed matters of mutual interests, particularly the various ways and means for increasing economic and commercial relations between the two countries. Setting up of joint venture projects in Bangladesh also came up for discussion, a PID handout said.

Byun told the minister that in the initial stage 30 industrial units would be set up in the park with a total investment of 150 million US dollars. In ten years, the total investment would reach one billion US dollars and as a result employment opportunities for one lakh people will be created, he said.

The ambassador said, at present 40 Korean industrial units are operating in Bangladesh and about 100 million US dollars was invested. Participation of different Korean firms in infrastructure development of Bangladesh was gradually increasing, he added.

Ambassador Byun stressed the need for removal of legal obstacles in establishing separate export processing zone for the Korean investors as well as infrastructure development including supply of gas, electricity and water. Expedient acquisition of land in establishing Korean industrial park also came up for discussion.

Fresh cut in tax on agri-inputs likely

Agriculture inputs are likely to enjoy fresh tax cuts as the Awami League government plans to reflect its election pledges in the 1996-97, national budget.

Giving impetus to the farm sector through supportive measures, including input subsidies, was a major election pledge of the ruling party.

Official sources told UNB that enterprises in the country's backward areas might get further fiscal benefits in line with Awami League's pre-election commitment for balanced development of different parts.

Sources said Finance Minister S A M S Kibria had asked officials engaged in budget preparation to keep in mind his party's commitments, particularly its pledge about the agriculture sector.

Kibria is learnt to have asked the officials to go through the manifesto of the Awami League and make the best effort to synchronise the budget with the party's priorities.

He too sought help from his cabinet colleagues in different ministries by way of sending specific budget proposals in light of party manifesto.

The former diplomat-turned-Finance Minister also reportedly discussed the issue of farm subsidy with major donors, including the World Bank which maintains strong reservation on the point.

Sources, however, hinted that rationalisation of tariff structure would get more emphasis in the budget rather than changes in rates. Particular attention would be given to streamlining the tax administration, making tax payment transparent and less hazardous.

Process to give the budget document the final shape will begin this week after receipt of proposals and suggestions from other cabinet ministers.

The Finance Minister, sources said, wishes to place his budget proposals in parliament on July 25.

Hilsha fish production decreasing

BARGUNA, July 8: Hilsha fish production is decreasing, causing concern among the fishermen and the traders, reports UNB.

Fish Research Institute sources said large-scale catching of Hilsha and Hilsha fry with current nets, unplanned construction of dams, lack of river dredging and the sharp fall in water level are the main reasons behind the decline in Hilsha fish output.

September and October months are the main period for breeding Hilsha when the fry starts growing up in sweet water.

About 75 per cent of the total Hilsha are found in the Patra, Bishkhali, Baleswar, Padma, Meghna and Jamuna rivers, but the catch is very low as water level has gone down in the main rivers.

Fishermen of the district also complained that they were facing problems due to scarcity of fishing materials.

Minister addresses seminar on maritime traffic

Govt to expand merchant fleet of ships soon

Shipping Minister A S M Abdur Rob yesterday said steps would be taken to ensure smooth and prompt movement of exports and imports by national flag carrier ships and make shipping a profitable industry by expanding merchant fleet, reports BSS.

"We should discourage sub-standard vessels calling at our territorial waters and ports to keep our coast and marine ecology free from pollution. We are taking a lot of measures for the employment of our maritime officers and sailors in foreign ships and also to extend the business with international community," he told the inaugural session of the seminar on Facilitation of maritime traffic, organised by the Shipping Ministry, ESCAP and International Maritime Organisation (IMO) at a city hotel here.

ESCAP Director for Transport Communications and Tourism Dr M Rahamatullah de

livered the message from ESCAP Executive Secretary Adrianus Mooy while IMO representative — Hesse, shipping secretary Anwarul Islam and Director General of Shipping Department M A Malek spoke at the inaugural session.

Rob said to make international shipping safer, maritime environment cleaner and shipping transaction smoother, the IMO has adopted a number of conventions, protocols and recommendations. IMO since its inception has played the key role to bring the world maritime nations on a common platform to solve problems prevailing in the maritime sector while the seminar on facilitation of maritime traffic is one of those conventions, he said.

Effort to implement this convention in Bangladesh is the main objective of this seminar, he said and added Bangladesh has introduced port state control as per IMO

guidelines to prevent sub-standard vessels calling at country's ports.

Rob referred to the Bangladesh's glorious heritage in the field of shipping and said our seafarers have left unique impression of achievement in the field of ship operation from early days of shipping and Bangladesh seamen and officers enjoy world-wide reputation for their competence.

He said as per UNCTAD though Bangladesh is supposed to carry 40 per cent of its external trade by own ships, present share of national flag ship is only nine per cent and to remove these shortcomings the present government will soon undertake a plan to expand national merchant fleet.

A total of 50 experts in the field participated in the seminar.



A.S. Mahmud, Chairman of Transcom Electronics Ltd, spoke at the Philips Consumer Electronics Dealers Night '96 held at a city hotel recently.

Pakistan to build \$ 402m floating power plant

ISLAMABAD, July 8: A floating power station, one of only a handful in the world, will supply 450 megawatts of power to energy-starved Pakistan, its US-backers said Sunday, reports AP.

Ninety-five per cent of the money to build the 402 million dollars plant will be raised through a long-term loan guarantee from the United States Maritime Administration, said Gregory Snyder, spokesman for Westinghouse Electric Corporation, a partner in the consortium behind the project.

The power plant, which should open for business in 28 months, will occupy six barges which will float in the Arabian Sea off Port Qasim in southern Pakistan.

It will be the world's largest floating power plant. Snyder told a news conference held in the Pakistan capital to unveil the project.

The barges, and ships to transport them, will be built in the United States, thus the loan from the US Maritime

Administration, he said. Raytheon Engineers and Constructors, another US firm, will supply the overall design, while Westinghouse will provide the power generation equipment and operate the power complex for the first 12 years, Snyder said.

The plant will sell power to Pakistan at 6.5 cents a kilowatt hour, he said. Prime Minister Benazir Bhutto has spent the past three years trying to bring investment into Pakistan's energy sector.

An impoverished country of 130 million people and growing at a rate of 3.2 per cent a year, Pakistani cities face regular power outages as the demand continues to increase.

In some parts of the country power is out for five and six hours a day because of the load on the existing system.

The consortium putting up the floating power plant will operate with a local company called Wak OP&L.

Philips dealers prize giving ceremony held

The Philips Consumer Electronics Dealers Night '96 and prize distribution ceremony for Philips CE dealers for '95 was held at Dhaka Sheraton on July 4. The Chairman of Transcom Electronics limited A.S. Mahmud gave away the prizes to the dealers, says a press release.

The special attraction was the display of complete range of Philips household appliances introduced recently in Bangladesh. Obaidur Rahman Khan, Executive Director, and Altaf Hossain C.E Manager, Transcom Electronics Limited, also spoke on the occasion.

Japan's current account surplus drops in May

TOKYO, July 8: Japan's current account surplus fell sharply again in May as imports surged 36 per cent, the Ministry of Finance said Monday, according to AP.

The plunge in the size of the surplus in recent months has tended to lessen tension between Japan and its trading partners and support the dollar against the yen.

In May, the current account surplus dropped to 361.2 billion yen (3.25 billion dollars) from 674.3 billion yen (6.07 billion dollars) in the same month last year — a 46 per cent fall.

The year-on-year surplus dropped 45 per cent in April.

The figures, which are not adjusted for seasonal factors, represent the difference between Japan's income from foreign sources and foreign obligations payable, excluding net capital investment.

The dollar rose above 111 yen on the news. The dollar fell as low as 80 yen last year due in part to Japan's bulging surplus, but has come back as the surplus has shrunk to a more manageable level.



Commerce and Industries Minister Tofael Ahmed addressing the accord-signing ceremony for setting up a Bangladesh-India joint venture SSP fertilizer factory in private sector at a city hotel yesterday. Communications Minister Anwar Hossain Manju, Rouf Razzak Dhanani of Liberty Group, India and CA Hamid of CA Hamid & Associates, are seen in the picture. — Star photo

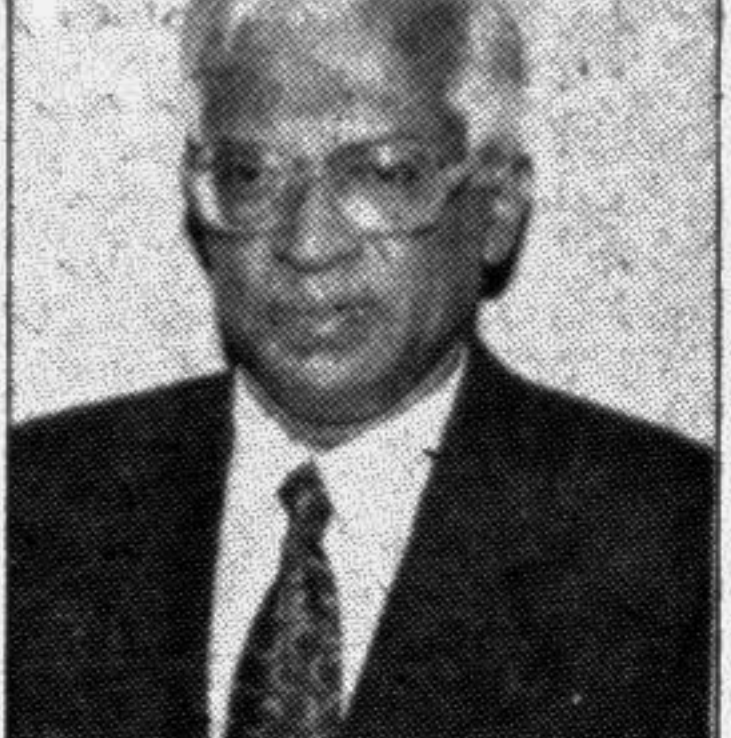
Maharashtra bureaucrats given time off for meditation

BOMBAY, July 8: Senior bureaucrats in India's most industrialised state have been given time off for meditation to deal with job-related stress. The Times of India newspaper reported yesterday, reports Reuter.

The newspaper said a recent ruling by the western state of Maharashtra would allow officials over the age of 45 to take an expenses-paid fortnight off every three years to study the "vipassana" technique of meditation.

More than 2,500 years old, the technique was originally practised by Gautama Buddha, the founder of the Buddhist religion.

Government officials said pressure from superiors to accomplish difficult goals with tough deadlines created tensions.



M Taheruddin
New MD of City Bank

M Taheruddin, an eminent banker of the country, has joined The City Bank Limited as Managing Director, says a bank press release.

Taher joined State Bank of Pakistan in 1961 as an officer. On repatriation from Pakistan he joined Bangladesh Bank and worked as Deputy General Manager in 1978. Subsequently he joined Janata Bank as Deputy General Manager and in 1982 he was promoted as General Manager. He also worked as General Manager in Bangladesh Krishi Bank and Sonali Bank.

He took over as Deputy Managing Director of Janata Bank in July 1991 and was appointed Managing Director the same year. On retirement from Janata Bank in 1994 he joined Independent University, Bangladesh as Professor.

Taheruddin was born in March, 1938 in Netrokona. He received BA (Hons) and MA in Economics in 1959 and 1960 respectively from Dhaka University. He also obtained MA in Economics from Vanderbilt University, USA.

Chinese entrepreneurs keen to invest in Bangladesh

Chinese entrepreneurs are keen to invest in various prospective business sectors in Bangladesh, reports UNB.

This was stated by Chinese Ambassador in Bangladesh Zhang Xu Jiang when he called on Finance Minister S A M S Kibria at his secretariat office yesterday.

The Chinese Ambassador reassured continued financial assistance from his government in the infrastructural development of Bangladesh.

During the meeting, they discussed bilateral issues and matters of mutual interests between Bangladesh and China, said an official release.

Bilateral cooperation for the economic development of Bangladesh and progress of some ongoing projects in power, energy and communications sectors also came up for discussion.

The Ambassador mentioned the technical and financial cooperation of the Chinese government for some development projects here.

Both expressed their hope that the friendly relations between Bangladesh and China would further strengthen in the days ahead through mutual cooperation and understanding.

Foreign spouses allowed to work in Malaysia

Subject to certain conditions, foreign spouses of Malaysians can, with immediate effect, work in the country. Among the conditions are: Their marriage must be genuine and not a marriage of convenience.

They cannot be self-employed. They must have a job offer.

Deputy Home Minister Datuk Megat Junid Megat Ayob, who announced this, said spouses who are professionals would be issued employment passes while others would get a temporary work pass.

Speaking at a press conference at the immigration headquarters recently, Megat Junid said spouses entering the country for the first time to work would have to apply for a reference visa through the Malaysian mission abroad.

He said the work pass, which would be on a yearly basis, would be cancelled should the couple divorce.

The visa, pass and permit division of the immigration headquarters would handle all applications for the employment and temporary work passes.

Among others, the applications, which can be made through the state immigration offices, must be accompanied by photocopy of passport, valid entry document, qualifications, marriage certificate and letter of job offer.

"They can either opt to pay an annual levy or declare their income to the Inland Revenue Department for tax deductions," Megat Junid said.

He said the government's move in allowing foreign spouses to work was a significant step addressing the country's labour problems particularly in professional and technical fields.

They would also make a valuable contribution to the development of the country, he added.

He said there were about 40,000 expatriates currently employed by joint-venture companies, mostly in the manufacturing sector.

Last year alone, the immigration authorities approved applications for 20,000 expatriates to work here.

Gold price up in Hong Kong

HONG KONG, July 8: Gold in Hong Kong rose the equivalent of 1.10 US dollars an ounce on Monday, to open at 382.25 US dollars, compared with Friday's Hong Kong close of 381.15 US dollars, reports AP.

The US dollar Monday was at 7.7415 Hong Kong dollars, compared with Friday's 7.7420.

Indonesia's trade surplus up

JAKARTA, Indonesia, July 8: Indonesia recorded a surplus of 370 million dollar in foreign trade in April, up from 330 million dollar in the same month last year, Information Minister Harmoko said Wednesday, reports AP.

Indonesia exported 4.01 billion dollar worth of goods in April, including 940 million dollar in oil and gas and 3.07 billion dollar in other commodities, Harmoko told reporters after a Cabinet meeting.

Harmoko said that in the first four months of this year, the country's exports reached 15.25 billion dollar and its imports were valued at 13.26 billion dollar, a surplus of 1.99 billion dollar.

4 cos interested in buying Malaysian rly

KUALA LUMPUR, July 8: Four companies are interested in buying the state-owned Malaysian railway, which didn't find any takers eight years ago when the government offered to sell it for one ringgit (40 US cents), a newspaper reported Monday, says AP.

The Business Times quoted C Selvarajah, Chairman of the Keretapi Tanah Melayu Ltd, or Malaysian Railway, as saying four companies listed on the Kuala Lumpur Stock Exchange have shown interest.

He declined to give details or name the companies. Selvarajah and company spokesmen were not immediately available for comment.

The Times, quoting unnamed sources, said the companies were four of Malaysia's largest conglomerates — Sapura Holdings, Diversified Resources Corp Ltd and Renong Ltd.

He said the government hoped to decide by the end of the year which one would become the buyer.

Once a big money-loser, the railroad covering all of peninsular Malaysia came out of the red for the first time in 1993, a year after the management was given autonomy to revamp the organization, including cutting costs and staff.

As part of a major conversion of state corporations to private operation, the government once had offered to sell the company for one ringgit (40 cents), but couldn't find a buyer willing to be saddled with the company's 40 million dollar debts.

Prawn cultivation: Bangladesh fails to learn from SE Asian farmers

nerable villages from cyclones. Wild fish stocks decline because of water pollution from prawn-farm waste.

And large stretches of land are being abandoned, "unfit for agriculture because of prawn farming, and unfit for prawn farming because of prawn-disease epidemics."

Those investing in prawn farming are often possessed by a gold-rush mentality, plundering precious resources to make big money or a short period before moving on. After the prawn rush, they leave untold misery and ruin in their wake," the report says.

Aquaculture, including the farming of prawns, has been a traditional practice in Asia for centuries.

Relying mainly on natural seedlings to bring in shrimp larvae, the traditional methods

are of two kinds: in some countries of South East Asia, fish and shrimps were raised together in coastal ponds.

In others, like India and Bangladesh, fish and prawns have been produced in paddy fields through a rotation system in which rice is grown in one season and then fish and prawns are cultivated in the next.

But the traditional methods, which required few inputs and produced yields sufficient for local sustenance and markets, have been replaced by modern intensive cultivation since the 1970s, first by Taiwan, China and Thailand and then a decade later by India and Bangladesh.

Under intensive cultivation, prawn seedlings are released into artificially constructed ponds at rates of between

100,000 and 300,000 per hectare — up to 30 times the natural level. Also needed are vast amounts of saline water, fish meal, fertilisers, antibiotics, chemicals and electricity.

India alone uses 78,000 tonnes of fishmeal, for its prawn industry — an example of the way commercial prawn farming destroys other fish stocks.

The use of modern methods of cultivation has not banished disease.

First Taiwan and then China and Thailand saw prawn stocks decimated in the late 1980s as disease swept through overcrowded, monocultured ponds. The situation was made worse by the overuse of chemicals and antibiotics in Taiwan, production fell from about

100,000 metric tons in 1988.

Similar concerns apply in Thailand today. Martin Cottingham of Christian Aid said, "In some instances in Thailand, disease has affected prawns so badly, cultivators have had to abandon sites and move on. This has not happened in India and Bangladesh so far, except on a temporary basis."

"We are worried about that happening in India and Bangladesh in a couple of decades. We are talking about land rendered unusable for anything, undermining food security," he added. "We would hope that consumers will join us in putting pressure on retailers."

Britain's single largest supplier of prawns is India, which was the fourth largest producer in Asia last year. India sold seven million kilograms of prawns worth more than US \$45 million dollars to Britain in 1995.

The report was particularly critical of a 1992 World Bank loan of 85 million US dollars for a shrimp and fish culture project in India.

"Traditional rotational systems of production are dismissed on the grounds of low prawn yields, without regard being paid to the rice, fish and food security such systems can deliver," the report says.

It is not too late for the World Bank to review its plans in the light of the damage already done to rural livelihoods and the environment."

Similarly, in Bangladesh, the industry has been dominated by outside business interests to the exclusion of local people, creating social tension, concludes the report.

As in other countries, mangrove forests have been cleared to make way for prawn production in Bangladesh, stripping away vital coastal protection, it adds.