



Ex-employees of BCCI UAE branches to get dues from July 22

DUBAI, July 19: Former employees of the collapsed Bank of Commerce and Credit International (BCCI) branches in the UAE will get their dues from July 22, the bank's liquidators announced in Abu Dhabi, reports PTI.

The official WAM news reported that the dues will include the staff's right, indemnities, special grants and expenses for repatriating their families.

The liquidators said in a statement yesterday that a grant will also be paid to the former employees which will cover families upto a maximum of three children. Women and UAE national staff were excluded from the grant.

The liquidators are reviewing the staff's indemnities according to UAE labour laws, the statement said. Flight for staff and their families will also be paid in return for cancelling their employment and residency visas.

All staff whose services have been terminated can take their passport to start the visa-cancellation procedure, the statement added.

The BCCI founded in 1972, had by 1990 offices in 69 countries, 15 billion in deposits and 20 billion in assets.

In July 1991 evidence of widespread systematic fraud at the bank founded by Pakistani banker Agha Hasan Abdin who remained Chairman until 1989, led regulators in seven countries to seize its assets and operation in most of the remaining 62 countries were shutdown.

## Citibank voted best bank for second year

Citibank has been voted the best bank overall for the second year in Euromoney magazine's annual awards for excellence among banks worldwide in 96, says a press release.

In addition, it was named the best emerging Markets Bank — also a repeat of its 1995 success. In total, the bank received 39 awards, 30 of which were individual country awards, more than any other financial institution.

In the regional awards categories, Citibank was best bank in five regions — Asia, Latin America, Western Europe, Middle East and Africa. In the product categories, Citibank was named best bank in foreign exchange and best underwriter of asset backed debt. And the 30 country awards included the USA, UK, Hong Kong, Singapore, Argentina, Mexico, Czech Republic, Kenya and Bahrain. Citibank was also awarded top tier positions in derivatives, project finance, global custody, syndicated loans and Eurocommercial paper. And as "one to watch" in emerging research.

## Plans for 12 tech training centres underway

State Minister for Labour and Manpower Abdul Mannan on Thursday said the plans for setting up 12 more technical training centres, including one for women in Dhaka, are awaiting approval of the Planning Commission, reports BSS.

Making a statement on a private member's resolution moved by Treasury bench member from Faridpur Kazi Sirajul Islam, the minister said at present 12 such centres, including two in Dhaka and one in Faridpur are functioning to produce technical persons in different trades.

A pop quiz for computer users — Question: What is your favorite, Japanese software package? Answer: None.

The reason for the answer is that, other than video games, the Japanese have virtually no presence in the US or world software markets. By contrast, American software dominates not only domestically but also worldwide, making up nearly 75 per cent of global package software sales.

Through a series of more than 60 in-depth industry interviews in Japan and the United States, Stanford University researchers have identified the key factors that have contributed to the US success in this large and growing market, as well as those that have hindered the Japanese.

The study is part of the Computer Industry Project, a multidisciplinary research effort funded by the Alfred P. Sloan Foundation. Edward A. Feigenbaum, the Stanford professor of computer science who heads the software study, reported its latest findings at the World Economic Forum.

It is very interesting that the Japanese, who have been so effective in consumer electronics, laptop computers and computer memory, among

# The Daily Star BUSINESS

DHAKA SATURDAY, JULY 20, 1996

## CFTC decides to withdraw congestion surcharge

From Nurul Alam

CHITTAGONG, July 19: The Singapore based Chittagong Freezer Trade Committee (CFTC) decided to withdraw the congestion surcharge from container cargo transported to and from Chittagong port from August 16.

According to shipping and port sources, the decision taken at a recent meeting of the CFTC has been communicated to the local representative and port officials.

The decision came as the congestion at the Chittagong port has now completed eased.

Talking to this correspon-

dent, a senior port official said the Chittagong port is now completely free from congestion.

Meanwhile, some of the shipping lines indirectly stopped to claim congestion surcharge on container cargo.

However, congestion surcharge at the rate of 75 US dollars against 20 feet container and 150 US dollars against 40 feet container was imposed by the shipping lines from June, 1995 when Chittagong faced severe congestion due to traffic jam of vessels at the outer anchorage.

The surcharge was en-

hanced later to 200 US dollars and 400 US dollars when the congestion became more acute and the cargo ships were required to face delay for 7 to 8 days for berthing at jetties here.

But with the improvement of port situation from March this year Chittagong Port Authority and traders started to insist on withdrawing congestion surcharge.

The CFTC later partially re-

duced the surcharge and as-

ured to withdraw it fully when

the port would be completed

free from congestion, sources said.

## Govt to ease trade laws : Tofael

Commerce and Industries Minister Tofael Ahmed has said the government is attaching top priority to industrial investment, both local and foreign, reports UNB.

The Minister said this when World Bank Mission resident mission Chief Pierre Landel Mills called on him at his Secretariat office on Thursday.

Government would play a role of facilitator but not of a business organisation. He said adding that laws, rules and regulations relating to trade and industries would further be simplified.

The government is committed to improve the economic condition of the people and to develop the law and order situation on the country, the minister told the World Bank mission chief.

Tofael asked for continuation of the World Bank support in its quest to achieve economic emancipation.

They also exchanged views

## Brazil strikes offshore oil at record depth

RIO DE JANEIRO, Brazil, July 19: Brazil struck oil at a record depth of 4,557.1 feet (1,389 meters), the government oil company Petrobras said Thursday, reports AP.

The strike was in the off-

shore Espadarte field 71 miles

(115 kms) off the southeastern

coast in the Campos Basin,

Brazil's richest oil-producing

region. Petrobras said.

## Japan to build 1st N-power plant in 10 yrs

TOKYO, July 19: Japan is to build its first nuclear power plant in 10 years despite strong anti-nuclear sentiment in the country, officials said today, reports AFP.

The electric power development coordination council, an advisory panel to the prime minister, endorsed a 10-year programme Thursday under which five new plants will be built to supply the national grid with 6.72 million kilowatts, they said.

The programme will include a 1.1-million-kilowatt nuclear plant, built by Tohoku Electric Power Co. Ltd in Higashidori village in Aomori Prefecture, northern Japan, an official said.

Construction of the nuclear plant is to start in December 1998 with 2005 as the date for start of operations.

The last nuclear plant approved in Japan was in December 1986 with 2005 as the date for start of operations.

Suppose, in Bangladesh, a businessman wanted to build a motorcycle with local sourcing. He is restricted by two factors: insufficient funds or collateral and inadequate knowhow. So, he devises a collaborative plan akin to subcontracting. He asks a bicycle manufacturer if he could make wheels for the motorcycle. Then he turns to a tire manufacturer to supply the wheels with tires. Next, he contracts with plastic and metal frame fabricators to see whether they could supply him with the metal frame and the top plastic overlay. For the exhaust and brake systems, he approaches local workshops that repair cars with exhaust and brake problems on a regular basis. In his own larger workshop or assembly plant all of these parts would come together in a just-in-time delivery system, thus saving warehouse space, and personnel



A meeting of Tourism Sub-Committee, an organ of National Facilitation Committee, was held at Parjatan head office on Tuesday. The meeting was presided over by Mosharrufullah, Joint Secretary, Ministry of Civil Aviation and Tourism. ABM Abul Quasem, Deputy Secretary, Mosharrufullah, Joint Secretary, Ministry of Civil Aviation and Tourism, Hakim Ali, Executive Director, Hotel Agrabad, Mohammad Ahsan Ullah, Manager (PR), Abdul Latif, Director (Commercial), Bangladesh Parjatan Corporation, Hasan Mansur, President (TOAB) and Md. Imran, Sr Assistant Secretary, Ministry of Civil Aviation and Tourism, are also seen.

## Economic development : The Japanese Keiretsu, an Asian miracle

Dr Shafi A Khaled

and monetary outlays that warehousing takes up. As a start, he could import the engine and the gears under a three tier agreement: The first batch will come fully assembled, the second batch will come knocked down form to be assembled in the workshop, and starting with the third batch full manufacturing would occur within the shop itself.

The Indian government has habitually taken this approach as a means of technology transfer in its military purchases from the former Soviet Union. The other alternative for engine and gear supply would be to turn to the existing car assembly plant in Bangladesh to supply him with these two items. However, economic rivalry may arise between the existing car assembly plant and the envisioned motor cycle plant so that this would not be a viable alterna-

tive. Now, to cement this technological arrangement our businessman could make the following financial arrangement: Extend a certain percentage share of his motorcycle business to each of the subcontractors and ask for a similarly valued share in their respective business. Thus, the parties would share stakes in the long run success of each other's businesses. We would then have reproduced a Japanese Keiretsu in Bangladesh.

The Keiretsu came to Japan after the World War II when Japanese monopolies were dissolved by General MacArthur. The Japanese were cash short, but rich in sense of honour and dignity, technical knowledge, and determination to escape from becoming cornered. So, they invented the Keiretsu — subcontracting with bartering

of ownership (a quasi-stock exchange). So, they cut down risk, planning and execution times, and required individual investment by mutually sharing in all of these activities. As a byproduct, they got just-in-time delivery, better quality because of specialization, and less control by big labour.

If a nation knows that it is cash short, has a sense of honour and mission, and a determination for economic independence, then the Japanese Keiretsu is a model worth exploring. An additional caveat here: We already know how well the Grameen Bank operates. We could use its formula for self-monitoring tied with extended availability of credit to individual industrial units tied together in such joint ventures. Moral: For underfunded economies, cooperative growth strategies do not have to be limited to the farm sector.

## ROK FM to visit S'pore, Vietnam to strengthen economic ties

SEOUL, July 19: South Korean Foreign Minister Gong Ro myung will visit Singapore and Vietnam later this month to strengthen friendly ties, the ministry said Friday, reports AP.

The visits will come after Gong attends an Asian regional meeting in Jakarta on Tuesday and Wednesday, it said. The annual meeting will be attended by foreign ministers from 21 countries, including the United States, Russia, China and Japan.

After the Jakarta meeting, Gong will visit Singapore July 25-27 and Vietnam July 27-30, a ministry announcement said.

Mutual cooperation in economic and other fields will be the main topic of Gong's discussion with leaders of the two countries, it said.

On the sidelines of the Jakarta meeting, Gong will meet his counterparts from the United States, Russia, China and Japan to discuss matters of mutual concern with emphasis on the Korean Peninsula, ministry officials said.

South Korea and the United States are trying to get North Korea to agree to their joint four-nation peace proposal, made in April. The proposal calls for North Korea to join the two allies and China in drawing up a new peace system to replace the armistice that ended the Korean War in 1953.

North Korea has yet to formally respond to the proposal.

## 'Country has potentials to explore markets for jute'

NATORE, July 19: With the increasing concern over environmental degradation throughout the world, Bangladesh has potentials to explore market for its jute and jute goods replacing the hazardous polythene bags, reports UNB.

Official sources here said the demand for jute goods in the international market had registered a considerable increase following public awareness about environment.

They said jute and jute goods were replaced by the cheaper synthetic products in the international market a few years back.

As a result Bangladesh, being a pioneering jute produc-

ing country, has lost a vast international market of its jute and jute goods.

Eventually the jute, popularly known in the country as golden fibre, regained its popularity for environment friendly products as poly-bags destroy ecological balance.

Experts said a pragmatic jute policy was needed to boost jute market both in the local and the international markets.

According to an estimate, during the first six and a half months of the 1995-96 fiscal, the country earned Tk 164 crore by exporting raw jute and jute goods Tk 532 crore which is considered as a favourable trend.

## \$ 20m venture capital fund to help native Malays

KUALA LUMPUR, July 19: The Malaysian Technology Development Corp has launched a 50 million ringgit (20 million dollars) venture capital fund to help native Malays and other indigenous groups acquire equity in high growth firms, a newspaper said today.

The Sumber Modal Satu Bhd. fund will enable the so-called bumiputeras to invest in companies which have the potential for listing on the local bourse within two to three years, the Business Times said.

"It (the fund) is an investment holding company which will invest in private companies with high growth potential," Omar Abdul Rahman, chairman of the Malaysian Technology Development Corp said at the launch Thursday.

The fund is open for subscription until December 20.

The minimum investment is 10,000 ringgit (4,000 dollars) and the maximum is 500,000 ringgit.

The government already has two unit trust funds limited to bumiputeras — the 1.3 billion ringgit Amanah Saham National and the 20.7 million ringgit Amanah Saham bumiputeras.

Omar said the investments under the new fund would be on a medium to long term basis.

## OOCL, PIL to open jt MSX service

July 23

Orient Overseas Container Line (OOCL) and Pacific International Lines (PIL) announced that a joint MidEast/Sub-Continent Express (MSX) service will be launched on July 23, says a press release.

This new fixed day weekly service will be calling at Singapore, Port Kelang, Dubai, Karachi and Colombo. Four 650-TEU vessels will be deployed of which three are from PIL and one from OOCL.

This new service will be one of the few weekly fixed day services that connects Singapore with the Middle East and Sub-Continent. Customers will have a less than 24 hours connection at Singapore to OOCL's Pacific (PSL) eastbound service to the US.

The MSX service will further enhance the Intra-Asia service networks of both carriers providing a better link for the Middle East and Sub-Continent with other Asian countries. It also offers customers shorter transit time and greater reliability.

In addition OOCL and Advance Container Lines (ACL), a PIL's subsidiary, will jointly provide a twice weekly service from Singapore to Bombay and Cochinchina under a slot sharing arrangement.

PIL has a long established relationship with Middle East ports since 1967 and views this joint service as a rational step to improve its frequency and transit time.

OOCL is a global container transportation company with a global network of services for Intra-Asia, east-west, and Australia trades, providing the vital link to world trade.

A two-day workshop on ISO-9000 organised by PMTC was held for the first time at Hotel Agrabad in Chittagong on Tuesday and Wednesday with the Chairman of Industry Sector Certification Ltd, Chris Doughty inaugurating. Andrew Flint of PMTC was present on the occasion. 13 participants of various professions attended the workshop.

## US trade deficit hits 8 yrs high

WASHINGTON, July 19: The US trade deficit jumped to 10.9 billion dollars in May, the largest imbalance in eight years, with China nearly displacing Japan as the country with the biggest surplus in trade with America, reports AP.

It was America's largest deficit with China since October 1995. Many economists believe in the not-too-distant future China will overtake Japan as the country with the largest surplus in trade with the United States.

For May, Japan's deficit declined 23.7 per cent to 3.13 billion dollars, the smallest gap since February 1992.

May marked the third straight month the overall deficit has worsened and left the gap between what America

exports and what it imports running at an annual rate of 107.6 billion dollars. That's even worse than last year's deficit of 105.1 billion dollars that had been the worst showing in seven years.

Republicans have seized on the worsening trade deficit as evidence of the failure of President Clinton's policies. Clinton took office vowing to make trade a key part of his foreign policy and embarked on an all-out campaign to negotiate trade agreements aimed at boosting American exports.

The administration contends that the rise in exports to all-time highs demonstrates the success of that strategy.

North Korea has yet to formally respond to the proposal.

The US government has taken a number of effective actions to foster competition in the