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## UK battles to reduce mad cow slaughter

BRUSSELS, Sept 17: Britain asked the European Union on Monday to reduce the number of cattle to be slaughtered under a plan to eradicate mad cow disease and end a worldwide ban on British beef exports, reports AP.

Douglas Hogg, the British agriculture minister, presented the EU with new scientific data indicating the brain-wasting cattle disease will fade away over the next five years even without the planned slaughter of 140,000 young British cattle.

There isn't a cull policy of a kind... which would make a substantial difference to the rate of decline," he told reporters, citing the data based on research at Oxford University.

Prime Minister John Major is under pressure to secure a reduction of the selective slaughter plan from British legisla-

tors who are threatening to throw out the cull in a parliamentary vote.

However, other nations showed little willingness to renegotiate the deal reached at a June EU summit in Florence, Italy, to end a mad cow crisis that had paralyzed the Union.

Under that deal, Major abandoned a month-long campaign of obstructing EU decision-making. In return, the others pledged to relax the ban on British beef exports if London met new health standards, including the elimination of cattle judged at risk.

"The implementation of the Florence agreement in my view provides the best prospect of lifting the export ban and working on the eradication," said Irish Agriculture Minister Ivan Yates, whose country holds the EU presidency.

Yates was chairing a two-day

EU farm ministers meeting that started Monday. Before the meeting, Hogg met with EU Farm Commissioner Franz Fischler to explain the Oxford study.

Since March, when Britain acknowledged a possible link between mad cow disease—formally known as bovine spongiform encephalopathy—and an equally deadly human brain ailment, prices have fallen across Europe as the public shunned beef.

The EU buildings were ringed by barbed wire and police trucks in anticipation of a protest by some 600 beef farmers from Germany upset about their falling prices.

"We have to maintain the export ban on British beef indefinitely until the disease has vanished," said Gerd Sontheimer, a leader of the German farmers' association.

Finance Minister interviewed on recently concluded Paris Club meet

## Donors make unconditional aid commitment

By Staff Correspondent

The Daily Star recently had an interview with Finance Minister S A M S Kibria about the recently concluded Paris Club meet. Following are the details of the interview.

**Daily Star: How would you evaluate the outcome of the Paris Club meeting?**

**Kibria:** You will be glad to know that actually I am fully satisfied with the meeting and its outcome. I am satisfied both in matters of pledge and statements made by member countries who were highly supportive of the present government.

An atmosphere of harmony and a very pleasant spirit of co-operation and understanding seemed to prevail over the meet. I have heard that in the past, donors were very critical of the government and its policies and the government had to defend itself against such criticisms.

However, after I made my statement which was quite comprehensive, the donor countries and agencies made statements which were highly supportive of the aims and objectives of the government and the method chosen by us for realising these goals.

**DS: You said there had been no conditions for aid. But there was another report in the newspapers that the WB President Joseph Wood has said that aid will decline if reforms are not done. How do you explain that?**

**Kibria:** In the past, the donors used to set a list of conditions in precise terms. These were the strings to aid and the Bangladesh representative, the finance minister, had to accept those conditions in order to get the commitments.

In our case, no such set of conditions were imposed. An assurance that reforms will be continued was enough to satisfy the donors.

I emphasised, for example, that the basic goal of the government (which was evident from our election manifesto) was to achieve rapid economic growth with equity and social justice. Such a balanced approach was welcomed by the donors. I pointed out that the economy needed a number of important reforms.

I had explained these in my budget speech. I fact, I devoted a good part of my budget speech in explaining the weaknesses of the economy and the urgent need for reforms.

A national consensus seems to have emerged that a poor

country like Bangladesh can ill-afford to permit wastage of its resources in the SOEs on a scale which put an intolerable strain on our economy.

Even ordinary people with that special knowledge of the economy can understand this and can appreciate the need for reforms to privatise these loss-making concerns. I explained, for example, that we needed private foreign investment in power sector if we were to meet the growing need of the economy for energy.

But reducing wastage can not be achieved without improving the management of the sector by reducing system loss and without opening it up to foreign investors. Indeed, the thrust of my statement was these reforms were necessary according to our own assessment of the situation.

Administrative reforms, including reform of the judiciary, are long overdue. The AL government within two months after taking office has initiated a series of actions to implement these reform programmes.

I also informed the donors that the driving force behind these initiatives and actions for reforms and improvement in governance of the country is the Prime Minister herself. Her dynamic leadership as well as her understanding of the essential needs of the economy have provided the sense of direction to the cabinet and energised the whole government.

Today, the BCI has started to function, the board of governors of EPZ has started function and various other institutions of the government have come to life. The PM has revitalised these institutions and restarted the stalled reform programme.

**DS: But the previous government had also done some reforms.**

**Kibria:** The previous government started some of the reform programmes, but these were not completed. Halfdone reforms and number of ill considered and hasty steps have done much harm to the economy. For example, import liberalisation was carried out too hastily without taking into account the impact of this policy on our domestic industries.

I explained to the donors that the present government is firmly committed to reform programmes, but we would carry out these reforms according to a synchronised and co-

ordinated plan. The idea is to implement the reforms in such a way that no distortions appear in the economy. The donors in general wholeheartedly endorsed the approach taken by the present government.

Our plans for the coming years are designed to improve the functioning of the economy and raise the growth rate and alleviate poverty which are also the goals that the donors have in mind.

**DS: How did the donors take the government's agriculture policy?**

**Kibria:** Contrary to popular expectation here in Bangladesh,

financing development. Therefore, there was no scope for a lengthy debate on the issue.

While the level of foreign exchange reserve has to be monitored carefully, it has to be remembered that there is no magic amount which must be maintained. In a healthy and dynamic economy, the reserve moves up and down on the basis of variations in trade and other activities though the government has a responsibility to ensure that the reserve is adequate for the purpose of our trade with the rest of the world.

**DS: How did the social issue figure in the discussions with donors?**

**Kibria:** The donors discussed at length the programme for poverty alleviation. They also devoted time on the subject of women in development. These are both important subjects on which the present government has well defined policies. The Prime Minister has declared time and again that alleviation of poverty and economic emancipation of the people are the prime objectives of the government. Only by realising these goals we can fulfill the dreams of the Father of the Nation for a golden Bangladesh.

The donors expressed full support for steps we have taken and which we proposed to take to address this question. The donors stressed the role of the NGOs as I pointed out that in the matters of poverty alleviation, rural development, the government recognises a significant role that the NGOs can play.

Our election manifesto has committed us to promoting equal rights of the women in society. I explained to the donors that our constitution enjoins us to take a number of very specific activities to achieve the goal of equality of women with men. These assurances were warmly welcomed by donors and the meeting ended on a very happy note.

**DS: Are you satisfied with the amount of pledge?**

**Kibria:** It is a matter of much satisfaction to me that though the international aid climate is very unfavourable, the donors pledged a sum which is more than what was pledged last year. Most people do not know that last year's amount of disbursement was very low—1.45 billion dollars. This year, the disbursement, inshallah, will be much higher. We will make a

determined bid to expedite disbursement of some of the funds stuck in the pipeline.

While the meeting ended on a happy note, I realised that the reform programme must be carried forward in coming years to retain the trust of donors. The reforms are also necessary for creating the kind of dynamism in the economy.

In the mid-term, the prospect of development assistance is not bright and therefore, we must get ready to finance our development budget largely from our own resources. We must also pave the way for large inflow of private investment funds. In a global integrated economy, we can not but recognise the reality of international economic life.

**DS: Why will the next aid club meeting be held in Dhaka?**

**Kibria:** On behalf of our Prime Minister, I extended an invitation to the donors to come to Dhaka for next meeting. They were very pleased to accept the invitation. We have also proposed that an investors' forum be organised to coincide with the meet in Dhaka. We expect the WB, IFC and the ADB will assist in organising this forum.

**DS: Why will there be a mid-term review of the government's evolving strategy and implementation plan?**

**Kibria:** It was my proposal because the government will be carrying out a number of reforms fast. A number of laws have already been passed in the last two months. In six months' time, a lot of reforms will take place. It was my idea to inform the donors about these forthcoming reforms in February.

**DS: You told the donors that disbursement rate will be improved over the next year. How do you plan that?**

**Kibria:** The main reason for slow disbursement is lack of decision making. A change in decision making has already been brought about by the PM. She sits in the ECNEC meetings. She has instituted tough procedures that every two months, a special ECNEC meeting should be held to review the progress of projects.

The decision on cellular telephone licensing had been stalled for two years. We have taken the decision within one and a half month. If we continue to take decisions in public interest promptly, implementation rate will improve.



The 35th Annual General Meeting (AGM) of Bangladesh Lamps Limited was held at Hotel Sonargaon in the city on Sunday with Latifur Rahman, Managing Director of the company presiding.

## Bangladesh Lamps declares 40 pc dividend

Bangladesh Lamps Limited, the official licensee of Philips Electronics NV Holland for lighting products and manufacturer of PHILIPS electric bulbs has declared a cash dividend at the rate of Taka 40 per share, says a press release.

The dividend was declared at the 35th Annual General Meeting of the company held at Hotel Sonargaon in the city on Sunday.

Latifur Rahman, Managing Director of the company, presided over the meeting which was attended by a large number of shareholders.

The meeting approved the Annual Report and Accounts of the Company for the year ended 31st December 1995.

During the year the company made a pre-tax profit of Taka 5.54 crore as against Taka 5.29 crore in 1994.

The Board of Directors of the company comprise A S Mahmud, Latifur Rahman, Safur Rahman, Atiqur Rahman, Shamsur Rahman and Shahnaz Rahman.

## Iran ends ban on French beef

PARIS, Sept 17: Iran has ended its embargo on French beef, imposed earlier this year over fears of mad cow diseases, the French Agriculture Ministry said on Monday, reports Reuter.

## 'Beijing's economic dev maintains steady growth'

BEIJING, Sept 17: China's economic development has maintained steady growth in the first eight months of this year with the economy giving its best performance since 1993. Xinhua news agency on Monday quoted Vice Premier Zhu Rongji as saying, reports Reuter.

All macro-economic indicators and basically met state targets set at the start of the year. Zhu told a three-day conference on cotton that closed last Thursday.

"Some are even better than expected," he was quoted as saying.

"China's economic development has maintained steady growth in the past eight months, and the country is witnessing its best overall economic situation since 1993," Zhu said.

Since the beginning of the year, consumer demand had grown steadily, investment in fixed assets had risen at sensible levels and foreign trade had increased, he said.

Since the beginning of the year, consumer demand had grown steadily, investment in fixed assets had risen at sensible levels and foreign trade had increased, he said.

The rise in overall national economic demand had exceeded the speed of economic growth, he said.

Revenues had increased rapidly while price rises had cooled and bank deposits had risen despite two cuts in interest rates, in May and in August, and the scrapping of the inter-

est rate subsidy, he said.

Retail price inflation was 5.8 per cent in August and officials have said inflation could be 7.0-8.0 per cent for the year, compared with a target of 10 per cent.

While harvests in some areas had been hit by floods in recent months, the summer harvest and early rice were expected to rise with the good agricultural situation providing a sound foundation for a strong economy, he said.

Officials forecast a 480 million tonne grain harvest, up from 465 million last year.

The current fall in profits of state-owned enterprises and increase in losses were not attributable to falling demand but to an outdated management system that did not fit a market economy and to output of products with no market, he said.

These problems had accumulated over many years and could not be solved by large investments or a relaxation of bank credits, he said, apparently responding to widespread recent pleas from state firm managers for more bank loans.

State firms' losses since last year did not reflect the economic situation, he said. Rises in prices of grain and cotton had cut into state firms' profits by raising costs but a large harvest would ease this problem.

Reforms to the financial management of state firms had reduced the rate of depreciation, shifting profits of some enterprises into capital and strengthening their ability to improve, he said.

## Workshop on marketing of products held

By Staff Correspondent

A day-long workshop on "marketing of products of small-scale producers" was held at the BRAC conference room in the city yesterday.

The workshop was organised by the Small Enterprise Unit (SEU) of ITDG, Bangladesh, a British-based non-governmental organisation engaged worldwide in promoting small-scale entrepreneurs.

The workshop was participated by 37 representatives from various organisations across the country with EPB chief Md Akmal Hossain in the chair.

The plenary sessions were conducted by ITDG Director Muhammad Taher and SM Jasimuddin, Associate Professor of Management from the University of Dhaka.

Inaugurating the session, EPB chief said "it is not possible for the small-scale producers to market their products at home and abroad because they lack the knowledge of market mechanism".

"To promote them, we need to develop a marketing system in which the NGOs can be made to play the vital role," he added.

In this connection, he cited the BRAC example. Conductors specifically emphasised on problems and prospects of small-scale entrepreneurs related to marketing and to make their products available in the international markets.

## US Microsoft introduces product for handheld computers

REDMOND, Washington, Sept 17: Microsoft Corp. stepped off the bigger-is-better treadmill Monday by saying it is ready to sell a smaller version of its Windows operating software for handheld computer devices, reports AP.

The company said five major companies will make machines that are based on the software. They are Hewlett-Packard Co., NEC Corp., LG Electronics Inc., Casio Computer Co. and Philips Electronics NG.

Their products, expected to go on sale next year for around 500 dollars will compete with existing electronic organizers and tablets like the Apple Newton and Palm Pilot.

Microsoft's software, called Windows CE, is the company's software. They are Hewlett-Packard Co., NEC Corp., LG Electronics Inc., Casio Computer Co. and Philips Electronics NG.

The tactic has yielded billions in profits for Microsoft as computer users have come caught in a buying spree for more advanced machines and software.

But several companies have taken advantage of Microsoft by creating technically crafty software to run smaller computing devices.

Until now, Microsoft's efforts to reduce the bulk of its

operating programme have failed. Most of those projects have not been discussed publicly by the company.

One that was, called Winpad, drew interest from Compaq Computer Corp., the biggest PC maker, two years ago but never reached the market. Many Win-

## Arab Palestinian Bank for Investment opens

RAMALLAH, West Bank, Sept 17: Palestinian and foreign investors have opened a bank with 51 million dollars in capital to finance infrastructure projects in the West Bank and Gaza, the Palestinian daily Al-Quds said yesterday, reports AFP.

The Arab Palestinian Bank for investment, based in Ramallah, north of Jerusalem, has starting funds of 51 million dollars, but investors have said they are prepared to put in 53 million more, the paper said.

The Arab Bank holds 51 per cent of the bank, followed by the World Bank with 25 per cent, the German Bank for Investment and Development (15 per cent) and a private company, enterprise international (live per cent) it said.

pad developers became part of the Windows CE project.

While manufacturers will determine the shape and precise functions of the devices, they generally will be clamshell-shaped, opening to a monochrome screen on one side and small keyboard on the other. They are expected to run on two double-batteries.

Data entered into them will transfer easily into a desktop PC that uses a bigger Windows programme Microsoft said. The software includes a version of Microsoft's Internet Explorer to deal with e-mail and browsing the World Wide Web.

Separately, Microsoft announced it is conducting research into the distribution of live video over the Internet. Currently, video clips are transferred as a software file to the PC before viewing can begin.

Several small companies have already demonstrated products that allow video to be shown as it happens, though typically not in full motion. They include VXTreme Inc., VDO.Net Corp. and Xing Technologies Inc.

As has happened in the past, Microsoft's announcement could scare potential customers of the smaller firms into waiting for it to develop similar capabilities. Microsoft touted its research at networking computer convention and said its products would be aimed first at corporate networks rather than the Internet.

## Induction course for ABBL officers begins at BIBM

A month-long induction course for the 8th batch of probationary officers of Arab Bangladesh Bank Ltd (ABBL) began at the Bangladesh Institute of Bank Management (BIBM) yesterday, says a press release.

The inaugural ceremony was presided over by the BIBM Director-General, A H M Nurul Islam Choudhury.

A Rahim Chowdhury, Managing Director of ABBL attended it as chief guest.

The course aims at orienting the trainees with the working of banking operation.

Speaking on the occasion the MD of AB Bank and the DG of BIBM stressed the need for more trained manpower to face the challenging roles placed upon the commercial banks.

In the changed circumstances in the banking sector, training has assumed a very important task, they added.

The month-long training programme will focus on some of the key factors on banking such as banking laws and practices, Banker-Customer Relationship, Specific Banking Legislation, Deposit Banking, Remittance of Funds, Foreign Exchange etc.

A total of 24 officers are participating in the course.

A T M Abdus Shahid and Md Atiar Rahman Mollah, BIBM faculty members, are coordinating the course.



British Airways conducted basic fare and ticketing course for travel agents at BRAC CDM centre at Gazipur recently.

## BA fares, ticketing course

British Airways organised a 3-day residential basic fares and ticketing course for the travel agents at BRAC's CDM centre at Gazipur, recently, says a press release.

The course was specially designed to give a comprehensive knowledge of basic fares and ticketing to the staff of the travel agencies to enable them to give prompt and improved customer service to their clients.

A total of 22 participants attended the course.

It was run by M A Hassan, BA Sales Executive.

Certificates were awarded to the participants by Richard Engelmann, BA Manager for Bangladesh.

## BRAC to set up milk processing plant

BRAC will set up a milk processing plant at a cost of Tk 21 crore at Joydebpur near Dhaka with daily capacity of 60,000 litres, reports UNB.

BRAC's new project, aiming at solving problems being faced by the rural poor in marketing their dairy products, will provide collection, processing and distribution services to milk producers.

More than 35,000 milk producers will be covered by the scheme under which main processing plant will be set up at Joydebpur and a number of milk chilling centres in some other areas.

Under the brand name "Aarong", the plant will initially produce pasteurized and flavoured milk, butter, ghee and yogurt drink, said a BRAC press release yesterday.



A Rahim Chowdhury, Managing Director of Arab Bangladesh Bank Ltd. (ABBL) (2nd L) and AHM Nurul Islam Choudhury, Director General of Bangladesh Institute of Bank Management (BIBM) (3rd L), are seen at the inaugural function of the Induction Course for ABBL officers in the city yesterday at BIBM premises. BIBM conducting this month-long Induction Course.