

**Reduce system
loss in power
sector: Minister**

Minister for Energy and Mineral Resources Lt General (ret'd) Muhammad Noor Uddin Khan has laid emphasis on reducing system loss in power sector for providing maximum benefit to the people, reports BSS.

The minister was speaking as the chief guest at a seminar on "Electrical energy system loss" at the Institution of Engineers Bangladesh (IEB) here on Thursday.

Presided over by Chairman of Electrical Engineering Division of IEB Dr Mahubul Haque, the seminar was addressed by IEB Dr M Anwarul Azim and General Secretary of Electrical Engineering Division Nurul Huda.

The minister said power is our important factor for achieving development.

He called upon the experts to put in their talent for reducing system loss to a minimum level in greater national interest. He added that after implementation of 9th power project the technical system loss will be reduced to a great extent.

Erosion threatens Roosevelt Jetty in Khulna

From Amanullah

KHULNA, Sept 27: Khulna Roosevelt Jetty is again under threat of erosion of the river Bhairab. Because protective measures taken so far to protect this jetty from being swallowed by erosion are reported to have failed due to fierce cross-current of the river.

According to a reliable source, IWT terminal building, Khulna sadar hospital, Khulna wholesale market, railway station, two match factories, Khulna shipyard, residences of top govt officials including range DIG, Divisional Commissioner, DC and SP, Khulna district jail and hundreds of business establishments are also facing erosion threat.

The source said, Mongla Port Authority, Khulna City Corporation and Water Development Board have never been sincere in tackling this grave problem

other than squandering crores of taka in the name of protection against erosion.

At least 140 faults in the construction of the jetty were detected by Delta construction in 1970 and since then no effective step is reported to have been taken by any of the concerned authorities to save this most important jetty of the country where over a thousand tons of cargo are handled on an average per day.

Now the remaining part of the jetty is being used with risk for cargo handling, the source said. The jetty was first repaired in 1968 and never since then.

It is learnt from another reliable source that big cracks and under ground holes may develop any time creating havoc in the whole area stretching from Khalishpur to Labonchura where there are so many industrial units including some

jute mills, newsprint and hard board mills and shipyard.

The source further disclosed that at least 150 crore taka is estimated to have been lost so far due to damages done by erosion of the river Bhairab. As a result, supply of foodgrains to northern parts of the country were also seriously affected.

The source further confirmed that there has been no alternative measure as yet to meet any eventuality.

Meanwhile, businessmen of Khulna bazar have expressed their grave concern at the situation arising out of constant erosion of Bhairab river.

They have urged the government to take serious view of this matter and make a permanent arrangement to save Roosevelt Jetty, business houses, industries and residences from collapse.



A high-powered delegation of Japan International Cooperation Agency called on Prof M Shahjahan, Vice-Chancellor, BUET, on Thursday at the latter's office. During the meeting they discussed different matters of mutual interest including more cooperation in the field of science and technology.

**Camdessus satisfied
with health of
world economy**

WASHINGTON, Sept 27: IMF Managing Director Michel Camdessus pronounced himself satisfied with the health of the world economy on Thursday but others raised questions about the vitality of Europe and Japan, reports Reuter.

Speaking at a news conference ahead of the annual meeting of the IMF and World Bank, the International Monetary Fund chief predicted Europe would succeed in launching a single currency in 1999.

"We are working in a kind of satisfactory global environment," he told reporters.

The IMF on Wednesday forecast that world economic growth would pick up to 4.1 per cent next year, from 3.8 per cent in 1996, but singled out Europe as one possible source of concern.

Camdessus said he saw better times ahead for Europe and voiced confidence that European countries would be able to meet the tough budget criteria set out for participation in the new European monetary system in 1999.

"I am confident that on Friday, January 1, 1999, you will have the new Euro system started," Camdessus proclaimed.

Speaking to reporters at a separate briefing, US Treasury Secretary Robert Rubin also called the global economic outlook encouraging, although he expressed some reservations about prospects for Europe and Japan.

"Prospects have improved in Japan and Europe, but growth in those regions still looks quite moderate," Rubin said.

Asia tea conference ends

The two-day Asia International Tea Conference 1996 ended in Singapore on Tuesday, reports UNB.

Delegates from Bangladesh, Sri Lanka, India, Indonesia, Thailand, China, Vietnam, Malaysia and the host Singapore took part in the conference organised by IBC Asia Ltd., Singapore.

Bangladesh Tea Board Chairman Brigadier Mokbul Haider represented Bangladesh in the conference.

Indonesia enjoys \$ 2.3b trade surplus in 1st half of '96

JAKARTA, Sept 27: Indonesia earned a 2.3 billion dollars trade surplus in the first half of 1996, a news report said Friday, reports AFP.

Exports in the first half of 1996 stood at 23.5 billion dollars while imports totaled 21.2 billion dollars, Trade and Industry Minister Tunkuy Ariwibowo was quoted as saying by the Antara news agency.

However, Ariwibowo was quoted as telling exporters in Bandung Thursday that the country had a deficit when oil and gas were taken out of the equation.

Non-oil and gas exports during the period totaled 18.1 billion dollars while imports were worth 19.5 billion dollars, he said.

Ariwibowo said the country's debt service ratio — the percentage of exports revenues used for debts repayments — stood at 32 per cent.

"Higher foreign debt obligations plus interest (from the debt), and rising imports will definitely lead to a higher current account deficit," he said.

Indonesia's foreign debt stands at more than 100 billion dollars, according to official data.

The government has said it expects the current account deficit for the year to march 1997 to total 8.7 billion dollars.

Engineers urged to help build rural-based economy

State Minister for Housing and Public Works Afzaruddin Ahmad Khan Thursday urged the engineers to put in their best efforts in building the rural-based economy for the welfare of the common people, says BSS.

The State Minister was speaking as chief guest at the annual conference of the Public Works Engineers' Association held in the auditorium of engineering here.

Presided over by Azizul Hoq, President of the Association, the function was addressed, among others, by Works Secretary Mokhelesur Rahman, A K M Abdur Razzak, Secretary-General of the Association, Siddiquah, Chief Engineer of PWD and Noor-e-Alam Chief Engineer of Housing Directorate.

Stressing the need for using modern technology, the State Minister said the engineers should utilise their experiences to augment the professional skill.

He expressed the hope that the engineers would work honestly and sincerely to uphold the image of the present democratic government.

Farmers in developing states being exploited by govts: WB VP

WASHINGTON, Sept 27: Unlike farmers in the industrialized world, those in developing countries have little political influence and, therefore, their governments discriminate against them and keep them poor and powerless, according to a high-level World Bank official, reports USIS.

"Rural poverty in developing countries is being perpetuated because of policy failures," Ismail Serageldin, a vice president of the bank, said at its fourth annual conference on environmentally sustainable development.

The conference divided into a series of panels September 26 to discuss issues ranging from how to improve energy supplies in the rural areas of developing countries to assessing agricultural programmes now operating in the developing world.

At the opening September 25 of the three-day conference that focuses this year on rural wellbeing, Serageldin said one form of exploitation of farmers in developing countries is that they get low prices for the goods they produce but have to pay high prices for the goods they must buy.

Making matters worse, he argued, is that governments sponsor far more social, health and education programmes in urban than in rural areas. The reason for the lop-sided urban investments is simple, "that is where the voters are."

Many observers have long noted that while there are more people in rural than urban areas, they are more spread out and often in hard-to-reach places. It is easier for city people to reach polling places and to express displeasure at government policies, powerful reasons for governments to pay attention to them.

Serageldin urged developed and developing countries to join the bank in a campaign to reduce the poverty in rural areas of developing nations. This could be done by ending the exploitation of farmers and landless labourers, by giving rural areas a greater voice in administering agricultural programmes because the central-

Japan's vehicle exports rise

TOKYO, Sept 27: Japan's exports of cars, trucks and buses rose 0.7 per cent in August from the year-earlier month to 24,118 vehicles, while exports to Asian countries increased 5.1 per cent to 46,782 vehicles.

On the other hand, exports to the United States dropped 9.9 per cent to 71,361 vehicles and exports to the European Union declined 12 per cent to 51,390 vehicles.

The fall in vehicle exports to the United States was the first decline in two months, while the decline in exports to the EU was the first fall in five months.

By vehicle type, passenger car sales slipped 0.2 per cent to 196,026 vehicles, truck sales rose 2.0 per cent to 61,480 vehicles and bus sales shot up 36 per cent to 3,416 vehicles.

10,000-line new phone exchange opens in city

A 10,000-line new digital telephone exchange was inaugurated at the Nilkhet Telephone Exchange in the city Thursday, reports UNB.

Posts and Telecommunications Minister Mohammad Nasim formally opened the exchange by making a phone call to Prime Minister Sheikh Hasina at the Other end at her office.

Speaking on the occasion Mohammad Nasim said 7,000 more digital telephones will be installed in the capital by next December to provide the subscribers with modern telephone facilities.

He said the present government has brought an end to the monopoly business of cellular telephone to make it affordable to the common people. People would get cellular telephone by Tk 10 to 15 thousand within next few months, he said.

Efforts will also be taken soon to enable the T&T to introduce cellular telephone along with the private sector, the minister said adding that the government and private sectors would run simultaneously to ensure better service to the subscribers.

He said both the government and private sectors have to survive through competition in this regard, the minister called upon the T&T officials and employees to work with utmost sincerity.

Among others, Alhaj Mokbul Hossain MP, also spoke on the occasion. Posts and Telecommunications Secretary and T&T officials were present.

New stock exchange to be set up in Ctg

CHITTAGONG, Sept 27: A new stock company styled National Stock Exchange will be set up here shortly as a counter to the presently operating bourse in the port city, reports UNB.

A decision in this regard was taken on Thursday at an opinion-exchange meeting between the City Mayor and some of the leading businessmen who don't involve themselves with the Chittagong Stock Exchange (CSE) established during the Begum Zia government.

Mayor of the Chittagong City Corporation Alhaj A B M Mostafizur Rahman MP, industrialist Nurul Islam BSc, Shamsul Alam Shamim, Alhaj Manjurul Alam, Jalal Uddin Ahmed, Alhaj Mohammad Ibrahim, Alhaj Abdul Mobin Mintu, G M Munir, Ataur Rahman and Jahangir Alam Khan,

Protagonists of the planned stock company said it would be established with a view to preserving the interest of real businessmen and investors.

Terminating the CSE as a party bourse that serves coterie interests, they said the CSE launched in 1995 created much enthusiasm among the businessmen, but failed to reflect their aspirations.

The convening committee members for the proposed National Stock Exchange are Rafiqul Anwar MP, Alhaj Mostafizur Rahman MP, industrialist Nurul Islam BSc, Shamsul Alam Shamim, Alhaj Manjurul Alam, Jalal Uddin Ahmed, Alhaj Mohammad Ibrahim, Alhaj Abdul Mobin Mintu, G M Munir, Ataur Rahman and Jahangir Alam Khan,

Toshiba unveils first products for digital video discs

TOKYO, Sept 27: Toshiba Corp. on Thursday unveiled its first products for digital video discs, the latest storage format for music and video, and said a DVD player might be available in the United States this year, reports AP.

DVD player for use with televisions will go on sale in Japan on Nov 1 for 77,000 yen (700 dollars), the company said.

Toshiba also unveiled a DVD ROM playback machine, and a DVD decoder board for use with personal computers.

Sample shipments of these two products will start over the next month.

A Toshiba official said the DVD player could be available in the United States by the end of 1996. Its introduction there will be scheduled to coincide with the unveiling of DVD software by Warner Home Video Inc. of the United States, a unit of Time Warner Inc., the Toshiba official said. Toshiba and Time Warner formed a strategic alliance in 1991.

Toshiba's introduction of DVD players follows a similar announcement by Matsushita Electric Industrial Co. last month.

But other Japanese companies, including consumer electronics giant Sony Corp., have been more cautious about introducing DVD products, citing concerns about software availability and the lack of final consensus on a copy protection program. Sony recently said it will postpone launch of its DVD players until next year.

Toshiba is Japan's second-largest all-round electrical machinery maker, and the world's leading maker of notebook computers.

Pepsi announces big cuts in overseas business

NEW YORK, Sept 27: PepsiCo Inc. rocked by big setbacks abroad, on Thursday announced a major streamlining of its overseas soft-drink business in a bid to save more than 100 million dollars a year and said it would consider selling part of its domestic restaurant operations, says AP.

Pepsi said it would strive to improve its disappointing profits by focusing its resources on its core snack food, fast food and domestic soft drink businesses.

The sharp cuts follow a rash of disappointments. Last month, Pepsi was left unable to produce soft drinks in Venezuela after the country's biggest bottler, the Cisneros Group, abruptly defected to Coca-Cola. And Pepsi's bottling partner in Argentina and Brazil recently announced it

won't be able to pay interest or principal on its bank debt through October 15.

The cutbacks will include unspecified layoffs of Pepsi's roughly 14,000 overseas staff and possible closing of offices. Further details were not available, said Richard Detwiler, a spokesman at the Purchase New York-based company.

The No. 2 soft-drink maker said the cutbacks in international beverages will cost 125 million dollars a year, a write down related to the bottling partner in Argentina and other foreign beverage assets add up to another 400 million dollars.

"Clearly we've had problems in our international beverage business," said Pepsi chief executive Roger Enrico. "But I believe we're moving to fix them quickly and get ourselves on a sound strategic footing."

Drive to shed redundant staff Malaysia's central bank to cut 700 jobs

KUALA LUMPUR, Sept 27: Malaysia's central bank is to cut more than 700 jobs in stages in a surprise move, which the government said Tuesday, is aimed at shedding redundant staff in a rapidly modernising industry, reports AFP.

Deputy Prime Minister Anwar Ibrahim, in an announcement that even the central bank staff said caught them by surprise, said the "voluntary separation" scheme would involve closure of several of the central bank's 12 branches.

"This is the right time to do it as the economy is good," Anwar was quoted as saying by Bernama news agency, adding that those laid off could be easily absorbed elsewhere.

It would be the first time the central bank Negara had laid off staff since it was set up 37 years ago, a central bank official said.

In a statement following Anwar's announcement, Bank Negara said it would close six of its branches "as part of a restructuring to improve productivity and efficiency."

The bank is to discontinue its retail banking activities un-

der the revamp, and its six remaining branches will focus on the distribution and processing of currency only.

"Such (retail) services can be better provided by commercial banks which operate in practically all town in Malaysia," the central bank said.

Its two representative offices in London and New York will be unaffected by the restructuring, it said.

Anwar said the central bank would offer staff "adequate and very attractive compensation."

"It will be easy for those affected to secure better jobs, given Malaysia's rapidly expanding financial services sector," Anwar said, describing the move as a "normal affair to right-size" and streamline operations.

The retrenchment exercise will mean trimming 24 per cent of the central bank workforce.

At the end of last year, it had a total of 2,865 staff, of whom 1,896 were based at its head office in Kuala Lumpur and the rest spread over 12 branches and two representative offices in New York and London.

Business briefs

HONG KONG: The former chairman of the bankrupt Carrion Group was sentenced to three years in jail Friday on fraud charges, ending a 13-year-old legal battle.

George Tan, 62, had pleaded guilty in the High Court to two counts of defrauding Bumiputra Malaysia Finance Ltd., and its parent Bank Bumiputra Malaysia Bhd. of US 238 million dollars.

In return, the prosecution agreed to drop 15 other fraud and corruption charges against Tan.

The charges relate to lending in the 1980s to Tan property flagship Carrion Investments Ltd. and other group companies.

Tan and his Carrion Group zoomed to prominence in the late 1970s and early 1980s. Carrion became one of Hong Kong's 10 largest public companies, dealing in shipping and property.

But Tan's empire unraveled quickly, leaving debts of more than US 1.12 billion dollars in 1983.

SUVA, FIJI: The Royal Dutch Shell group and a US based power generator and distributor Pacific Corp. are planning to build a 38.5 million dollars oil-fuelled power plant.

Shell Fiji Ltd. general manager Kevin Dwyer said the proposal is to be presented to the Fiji government's investment agency within a month.

He said that if approval was given, work on the plant could start in about a year at a site near Nadi international airport on the western side of the main island, Viti Levu.

At present the government's Fiji Electricity Authority has a monopoly on power generation and distribution.

Recently it said that it own supplies, mainly generated by hydroelectricity, needed support supplementation, and that it was prepared to buy power from private providers.

Dwyer said a joint venture with Powercor Australia would form a new energy company that would engage in retail power distribution and, if authorized, in the supply of solar, wind and other alternative power generation for remote rural areas.

SYDNEY: Orbital Engine Corp Ltd. powered into the Indonesian car market on Friday when the Indonesian government said Orbital's combustion engines will be used in its national Maleo automobile project.

Orbital said negotiations are at an advanced stage to establish a consortium with its Indonesian partners to mass produce engines for the Maleo project.

Orbital company secretary Deana Cesari declined to put a figure on revenue potential. But said the company stood to gain from royalties on each engine delivered as well as engineering services and manufacturing income from component supplies.

This is a first for us, the first time that we have been involved in the mass production of engines with our technology, Ms. Cesari said.

Orbital said Indonesian Minister for Research and Technology, B J Habibie, advised his country's parliament that the Orbital Combustion Process engine had been selected to power the cars in its Maleo project.

The company has been working on the project with Indonesian officials and he Maleo engineering team since 1995, with the car set for production in 1998. — Source: AP

China eyes world coffee market

BEIJING, Sept 27: China, a nation of tea drinkers, has its eyes set on the world coffee market, reports AP.

China plans to spend 340 million yuan (41 million dollars) over the next five years to double coffee production to 5,000 tons of beans, the official Xinhua News Agency reported Friday.

The money will go to building a 5,000-hectare (12,000-acre) coffee plantation and processing plant in southwestern Yunnan province, Xinhua said.

That's just the first step. Over the next 15 years, land used to grow coffee in Yunnan will be expanded by 16,000 hectares (40,000 acres), from the current 3,300 hectares (8,100 acres).

1996 annual report exemplifies WB efforts to respond quickly to S-needs

WASHINGTON, Sept 27: Initiatives in Bosnia, the Middle East and other target regions exemplify World Bank efforts to respond quickly and effectively to developing countries needs, according to the institution's 1996 Annual Report, reports USIS.

Just three months after the December 1995 signing of the Dayton Peace Accords, the Bank established a 150 million dollar trust fund for reconstruction work in Bosnia and Herzegovina. The fun has since financed seven projects dealing with water, sanitation, transport and other essentials, says the report.

The report also highlights the Bank's decision to make 90 million dollar in emergency assistance available to the West Bank and Gaza soon after a border closing threatened a "shock" to the Palestinian economy.

Covering the period from July 1, 1995 to June 30, 1996, the report cites these projects and others as emblematic of World Bank efforts to become more "agile" and "effective" in responding to the needs of its developing-country clients.

Over the course of the fiscal year, the Bank's two main entities — the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA) — disbursed a record total of \$19,000 million.

The biggest increase in IBRD and IDA commitments was in

the Middle East and North Africa region, where 21 projects were approved for a total of \$ 1,595 million, says the report. Lending volume also increased in Africa, while its sharpest drop was in Latin America and the Caribbean.

The three biggest borrowers from the IBRD were China (\$2,490 million), Russia (\$1,816 million) and Argentina (\$1,509 million).

The largest borrowers of IDA credits were India (\$1,301 million), Vietnam (\$802 million) and China (\$480 million), says the 1996 report.

A statement issued by the Bank also stressed the importance of its small loans, like the \$3.8 million credit to Armenia to help privatize public enterprises, strengthen the banking system, and make other reforms.

The annual report details how Bank programs adapted to two trends: the explosive growth of private investment flows to developing countries, and the concurrent leveling-off of official overseas development assistance.

The Bank has "repositioned" itself in light of these trends, but its ultimate goal is unchanged, Managing Director Gautam Kaji told reporters in advance of the report's September 26 publication. "The Bank's central objective remains the reduction of poverty, and that is the yardstick against which we must measure ourselves," he said.

Kaji said the Bank's challenge is to find ways to reach the millions of developing-world citizens whose lives have not improved as a result of a more globalized economy.

The number of people living in market-oriented economies grew from 1,000 million in 1985 to 5,000 million in 1995, but one-fourth of the developing-world population lacks access to safe drinking water, and about half has no electricity. As many as 1,200 million people live below the World Bank's "absolute" poverty line of \$1 a day, and an estimated 130 million children do not have the opportunity to attend school, says the report.

While private investment

flows to the developing world quadrupled from \$44,000 million in 1990 to nearly \$170,000 million in 1995, 75 per cent of those flows were concentrated in just 12 countries, and East Asian states received 60 per cent aggregate flows to developing countries.

Meanwhile, official development aid was worth about \$59,000 million in 1996, the lowest level in real terms in 23 years, Kaji said. He added that overwhelming debt burdens keep many of the poorest countries from adopting long-term economic reforms.

Against that backdrop, the Bank this year launched an initiative to reduce the debt burden of the poorest nations — an initiative that will be the

central feature of the upcoming IMF/World Bank annual meetings, Kaji said.

Nothing the general agreement among economists that "growth must be private-sector led," Kaji said the Bank had also created a Private Sector Development Group, composed of senior Bank officials and from two other "World Bank Group" entities: the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA).

The group's assistance for private sector development totaled \$5,600 million for 51 projects in the financial, power, telecommunications/information technology, oil and gas, and industry and mining sectors.

Kaji also touted the successful conclusion of negotiations to replenish funding for IDA — which provides concessional loans to the world's poorest nations. Donors meeting in Tokyo in March agreed to provide \$22,000 million during the 1997-99 period, he said.

Other Bank achievements for the 1996 fiscal year include \$1,600 million in lending for environmental programs, and \$2,500 million for primary health and education projects.

The World Bank managing director also stressed that 111 of the 256 Bank projects approved last year involved non-governmental organizations "in execution or development," he said.