

**Discussion on privatisation**

**Put reform proposals for review in JS**

By Staff Correspondent

Discussions at a lively debate on 'Reforms of State Owned Enterprise (SOE) and Privatisation' yesterday suggested the government to play reform proposals in the Jatiya Sangsad for thorough review.

"Put reform proposals in the House before you sign any agreement," said Rehman Sobhan, Executive Director of the Centre for Policy Dialogue (CPD) at the workshop jointly organised by the World Bank and the CPD at a local hotel yesterday.

Former Finance Minister M Saifur Rahman, WB Chief Resident Mission Pierre-Landell-Mills, Mahbubur Rahman Khan of the Bangladesh Bank, Suranjit Sengupta MP, Rashed Khan Menon, former MCCI President Latifur Rahman, WB Senior Official Mary M Shirley, Dhaka University teacher M M Akash, Muzaffar Ahmed of the Institute of Business Administration (IBA), Shahed Latif of Grameen Telephone, Rafiq Siddiq of Bangladesh Steel and Engineering Corporation, Hasnat Abdul Hye, former Secretary, Mosarrat Hossain, K Z Islam, and Mujibur Huq took part in the discussion.

Rehman Sobhan said, the government had been reforming the economy as per directions of the donor agencies for the last 15 years without reviewing the reform proposals.

"I now suggest that every reform proposal be put before the Jatiya Sangsad for public debate on the issues," Sobhan said, adding that the government must consider public opinions before going for signing any agreement or taking a major policy decision.

The renowned economist of

the country Sobhan noted that the bureaucrats in the WB headquarters along with their counterparts in Dhaka sign reform agreements without taking into account the public opinion.

He suggested that the World Bank and other donor agencies should ask the government to examine conditionalities of projects. "Put your conditionalities on debate to ensure transparency and efficacy," the CPD leader said.

He also raised questions about the efficiency of the already privatised SOEs. "Have they created jobs and operated efficiently?" asked Sobhan. Saifur Rahman, former finance minister, said, loss-making SOEs should be privatised immediately as these were incurring staggering losses on our economy. He suggested the political parties to reach a consensus on major economic issues.

Recalling the bitter experiences during his tenure as finance minister under the BNP government, Saifur said, "I have unpleasant experiences. I was opposed by my own colleagues when my ministry advocated for massive reforms of the public sectors."

"Pointing out the problems of reforms and privatisation, the former finance minister said, reform of the bureaucracy is a precondition for speeding up economic reforms."

Dwelling on the financial sector reforms, Saifur who served as finance minister for about ten years said performance of the private banks were not satisfactory.

"We should go slow to denationalise the public banks as

there are lackings in the judicial system to monitor and supervise the banking operations," he said adding that good governance and political stability were the basic conditions for achieving a high economic growth.

Latifur Rahman former president of MCCI, said, political will and continuation of democratic process could help attract investment from home and abroad.

"We need basic industries, not the short-term rent seekers," he said adding that some of the rent-seekers were badly damaging the image of the private sector.

"Why should we be criticised for a section of tax evaders," he asked and added that the private sector villains should be caught by the law.

Criticising the performances of some of the private sector banks, Rahman said, the lawmakers should strengthen the bank monitoring system and develop judicial system in this regard.

He also raised questions about the 'political protection' of the traders who evade tax.

Mahbubur Rahman Khan of the Bangladesh Bank said that the central bank of the country do not have enough legal provisions to monitor the banking activities.

Khan, a banking expert, observed that the BB could not operate independently to maintain its professional standard.

"Does the BB have choice in hiring really qualified people to run the supervision work properly?" he asked.

Reviewing the 'successful reforms' in Asia, America and Latin America MM Akash said

the criteria used for Latin American countries should not be necessarily applied to Asian countries. He said, privatisation is not the only way of raising efficiency of the economy.

Akash was reviewing a WB publication, 'Bureaucrats in Business: The Economics and Politics of Government Ownership' by Dr Mary M Shirley of the World Bank.

Mary Shirley in her speech said, the developing countries like Bangladesh could take lessons from the success stories of Chile, Mexico, Poland, China and Czechoslovakia. She said, these economies developed because of the introducing of competition, elimination of subsidies and cutting of credit facilities to the loss-making SOEs.

Shirley pointed out that India, the Philippines, Senegal, Ghana, Egypt and Turkey could not carry out the reforms and therefore, are lagging behind.

Pierre-Landell-Mills said Bangladesh has mixed-pictures regarding its economic performance. "It is a very good payer of its international debts, but the country was hesitant to make the reform process more transparent and accountable."

He said the WB would from now on be placing its suggestions through review. Talking on 'safety net' issue of the privatisation programme Mills said railway and jute sector workers were properly compensated for.

The WB official was however critical about the performance of the bureaucracy in assisting the government in the right direction.

**Nepal for full implementation of SAPTA**

ISLAMABAD, Nov 3: Nepalese Prime Minister Sher Bahadur Deuba has called for the full implementation of an existing South Asian Preferential Trade Arrangement (SAPTA) among the seven regional countries, reports AFP.

"We look forward with optimism to the successful operation of SAPTA," Deuba said in speech late Saturday at a banquet hosted by Pakistani Prime Minister Benazir Bhutto.

Deuba on a five-day visit here since Friday, said Nepal believed SAPTA was a 'first step' towards free trade in the region.

Nepal and Pakistan are members of the decade-old South Asian Association for Regional Cooperation (SAARC) along with Bangladesh, Bhutan, India the Maldives and Sri Lanka.

**Mauritius to invest \$100m in Bangladesh**

Mauritius is interested in setting up industries under joint venture in Bangladesh's garment, textile, motorcycle-assembly and noodle-making sectors, reports UNB.

The island country has agreed to invest 100 million US dollars initially, official sources said here yesterday.

The interest was shown during the recent visit of a trade-and-investment delegation from the Indian Ocean Island state to Bangladesh.

During their three-day stay in the capital in the last week of October, the three-member team discussed with the officials the promotion of trade between Bangladesh and Mauritius and possibilities of setting up joint-venture industries.

They held meetings and discussions with the officials of Board of Investment and Road and Highways Division. They collected useful information regarding investment-incentives available here.

The visiting delegation called on Secretary at the Ministry of Foreign Affairs Khairul Anam.

The members of the delegation told the Additional Foreign Secretary that they would study various aspects and sectors of investment and prepare their appropriate plans.

They informed him that they may, at the initial stage, invest about 100 million US dollars, the sources added.

The Additional Foreign Secretary assured them of all help and cooperation from the Bangladesh side.

During the meeting, they had donated four sewing machines for distribution among appropriate agencies as a mark of fellow feelings towards the people of Bangladesh and expressed their will to send another such 21 sewing machines soon.

**Tripti likely to declare right shares**

An Extra-ordinary General Meeting of the shareholders of the Tripti Industries Limited was held at BCIC Auditorium, Dilkusha in the city under the chairmanship of Mubarak Ali, Managing Director of the company, says a press release.

Aziz Mohammad Bhai, Raja Mohammad Bhai, Munir Ali, Directors of the company, were also present.

The company is all set to launch its refined edible oil in tamper proof Tetra brick aseptic pack by the end of November, 1996. This will enable the company to increase its retail market share in the edible oil segment enabling it to operate at higher capacity which will lead to higher profits for the company.

To finance the schemes, the management is considering issue of right shares at a reasonable price.

The meeting approved the increase of authorised capital of the company from Taka 200 million to Taka 300 million. Certain other amendments in the Articles of Association of the company were also approved in the meeting.

In the course of the meeting, the Managing Director informed the shareholders that Tripti Industries Limited, which signed an agreement with M/s Sayeed Engineers Pvt. Ltd Lahore, Pakistan, for technical know-how for producing superior quality Ball Point Pen with refill is scheduled to commence operation sometime during middle of 1997.

M/s Sayeed Engineers Pvt. Ltd is one of the largest producers of ball point pen in Pakistan and has more than two decades of experience in this field.

For the import of plant and machinery from Germany, Sweden, Pakistan, Taiwan etc has since been established and construction of factory building has also since been completed.



Sir John Wilson, Honorary President of International Agency for the Prevention of Blindness, met the members of Metropolitan Chamber of Commerce and Industry, MCCI Dhaka yesterday. Maj Gen. Amjad Khan Chowdhury, Acting President of MCCI, is also shown in the picture.

**Globalisation of textile, footwear sectors may not prove sustainable**

A tripartite meeting on the effects of globalisation of the textile, clothing and footwear industries (TCF) cited the emergence of 'sweatshops' and of occupational health problems in some countries as a 'cause for concern' and warned that globalisation in the sector may not prove sustainable if it is not accompanied by social justice, according to a press release issued on Friday.

The concluded that "the fight against clandestine work should be intensified" in the TCF sector. They noted that "efficient tripartite coordination at national and international levels of the action against the so-called 'sweatshops' can reduce the pressure on wages and general working conditions resulting from unfair competitions created by enterprises which do not comply with fiscal and legal obligations, which exploit workers and disrupt markets."

The delegates, representing employers, workers and government from over 30 nations, concluded that dramatic evolution in the sector during the last two decades "has brought about a new distribution of production and employment world wide with job losses and somewhat insecure jobs being created in both developed and developing countries." However, "the overall effect on the level of worldwide employment has been positive."

The conclusions said that "in an environment characterised by relatively stagnant

demand and stronger competition among manufacturers, retailers and countries, TCF enterprises need to adapt in order to survive. This requires more flexibility than previously in the operations of enterprises."

They urged that "steady growth and long-term competitiveness of the TCF enterprises

should go hand in hand with social progress" and require "sound industrial relations and well functioning tripartite and/or bipartite systems for consultation."

The delegates also concluded that in Export Processing Zones (EPZs) "special attention should be given to the establishment of economic linkages with the rest

of the economy and respect of basic human rights at work so as to avoid an 'enclave' type of expansion." They urged that EPZs "be covered by national labour legislation and the core ILO standards," and that "tripartite advisory committees on industrial relations should be established" in existing EPZs.

They said that "employers and workers' organizations should cooperate with a view to reducing non-wage labour costs without having a negative impact on wages and benefits," by for example, introducing modern safety and health management programmes to limit occupational injuries, diseases and the associated costs these produce.

The delegates also concluded that "a precondition for ensuring respect for basic human and worker rights and to maintain and improve the quality of working conditions is to make sure, in all countries, that all labour laws which enterprises are legally required to respect are enforced and that compulsory education laws exist and are implemented."

A separate resolution adopted by delegates to the meeting called upon ILO members states to "ratify and fully implement the United Nations convention on the Rights of the Child and ILO Minimum Age Convention, 1973, (No 138), the Forced Labour Convention, (1930 (No 29), and the Abolition of Forced Labour Convention, 1957 (No 105), as a matter of priority."

**3000 delegates may take part in ME-North Africa economic confce**

CAIRO, Nov 3: More than 3,000 delegates from 80 countries are expected to take part in the third Middle East and North Africa economic conference here later this month, officials said Saturday, reports AFP.

"The Cairo conference will be marked by a much larger participation than at the previous conference in Casablanca and Amman" in 1994 and 1995 respectively, said Rauf Saad, Deputy Foreign Minister for regional economic cooperation.

"Three thousand participants coming from early 80 countries" are expected at the conference between November 12 and 14, Saad told the government Al Ahram daily.

"The opening session will be based on the theme of 'peace and economic development' and will be formally inaugu-

rated by Egyptian president Hosni Mubarak, said Saad.

He added that "the participation of an Asian countries will be stronger" and that conference organisers had also noticed "the participation of African countries, which is new."

Conference organisers World Economic Forum said in a statement earlier this month that Egypt had sent out invitations to 87 countries, including Israel, and to heads of 47 regional and international organisations.

Israeli Radio said Saturday that Israeli and Palestinian negotiators were close to formalising a deal on the delayed Israeli troop withdrawal from Lebanon, adding that an accord would be signed during the Cairo conference.

**WB official meets Communications Minister**

Chief of Environment and Natural Resources Division of the World Bank Maritta RV Bieberstein Koch-Weser called on Communications Minister Anwar Hossain Manju at the latter's office here yesterday, reports UNB.

They discussed possibilities of long-term infrastructural development in Bangladesh and international assistance in this regard, says a PID handout.

Besides, the meeting emphasised on judicious utilization of the country's natural resources for infrastructural development and to protect the interest of future generation.

**CIC's gift for Ctg airport**

Ahraj Md. Abdul Maleq, Chairman of the Board of Directors of Central Insurance Company Limited, handed over a set of colour television and dish antenna as gift to Bangladesh Civil Aviation Authority at a simple ceremony held at Chittagong Airport on Thursday, says a press release.

The Airport Manager of Chittagong International Airport received the gift on behalf of the Civil Aviation Authority for using the same at the domestic passenger out going lounge of the Chittagong Airport.

Ahraj A.B.M. Mohiuddin Chowdhury, Mayor of the Chittagong City Corporation, opened the screen of TV as the chief guest on the occasion. The Mayor appreciated the generous gesture of CIC and opined that this gift of CIC adorned the people of Chittagong and they will remember this contribution.

Haji M.A. Malek, Ex-Chairman of the company, also spoke on the occasion.

**ASPAT '96 DCCI VP leaves for Manila**

Senior Vice President of the Dhaka Chamber of Commerce & Industry (DCCI) Fazle R M Hasan left Dhaka for Manila to participate in the sixth Asian Pacific International Trade Fair (ASPAT '96) to be held at Manila from November 5 to 11 organised jointly by Philippines and the UN Economic and Social Commission for Asia and the Pacific (ESCAP), says a press release.

Over 1500 exhibitors from different countries are expected to exhibit international standard products ranging from furniture, home accessories, home textiles, carpets, curtains, wall coverings, consumer electronics, home appliances, architectural and furniture components and services.

Famous Fashion Designer Bibi Russel will also participate in the ASPAT '96 - Manila, the press release added.

**ADB keen to develop power sector**

Visiting ADB Vice-President Bong-Suh Lee expressed satisfaction over the programme undertaken by the government in power and gas sectors and showed keen interest in development of power sector of Bangladesh, reports UNB.

The Asian Development Bank Vice-President at a meeting with Energy and Mineral Resources Minister Lt Gen Noor Uddin Khan here yesterday discussed development of power sector of Bangladesh.

The 9th Power Project and the Meghnath Power Project figured high in the discussion.

ADB will provide 134 million US dollar for the 9th Power Project of constructing 130-kilometre transmission line, setting up national load-despatch centre at Rampura in Dhaka and implementation of phase-4 of greater Dhaka power-distribution project.

On completion of this project, power supply in Dhaka, Comilla and Chittagong will improve a lot, said an official release.

They also discussed matters related to Meghnath Power Generation Project under equity and debt of ADB. On completion of this project, 300 megawatt power will be generated by the year 2000 under private sector. ADB will provide 50 million US dollar on equity and debt basis.

**Workshop on privatisation**

Another report says: Energy and Mineral Resources Minis-

**Workshop on 'youth unemployment' ends today**

The closing ceremony of the Regional Workshop on 'Youth Unemployment' will be held at the BIAM conference hall today at 4 pm, reports UNB.

The workshop was jointly organised by Department of Youth Development, Ministry of Youth and Sports and HOPE '87 Bangladesh, in collaboration with Commonwealth Youth Programme, Asia Centre, United Nations Youth Unit, HOPE '87 Secretariat, Vienna, Austria and Bangladesh Institute of Administration and Management (BIAM), said a press release.

**Private sector must play vital role in dev of N-region'**

Finance Minister SAMS Kibria has said the private sector has to play the vital role in the development of northern region of the country, reports BSS.

The minister said the desired development could only be implemented through active participation of the private sector entrepreneurs after the major barrier of communication is removed with the construction of the Jamuna Multi-purpose Bridge (JMB).

Addressing an inception workshop for the North-West Area Development Study" at a city hotel Saturday, the Finance Minister said the government would provide every support to the private sector for the development of the comparatively backward areas.

The minister said the elements of the government's economic policy encompassed an efficient market system, openness, high growth rate sustained by high rate of savings and investment and expansions

based on nation's comparative advantage.

The Finance Minister said the idea of constructing the Jamuna Bridge was conceived by Father of the Nation Bangabandhu Sheikh Mujibur Rahman and accordingly he had requested Japan for providing assistance in this respect. He said a Japanese mission came as per the request and conducted a feasibility study.

"North-West Area Development Study" has been undertaken by the Planning Commission with the technical assistance of Asian Development Bank to identify and analyse alternative development strategies for the north-west region of Bangladesh, and also to identify future investment projects both in the public and private sectors.

Under the study some project profiles will be prepared to 'enable investors to take up detailed work required for taking up investment projects.'

**Chinese economy grows 9.6 pc in nine months**

BEIJING, Nov 3: China's economy grew 9.6 per cent in the first nine months of 1996 and is on target for an annual 10 per cent growth despite faltering exports and growing stockpiles of unwanted goods, the State Statistics Bureau (SSB) said yesterday, reports AFP.

"The economy has registered a steady growth so far and we expect to be on target for 10 per cent economic growth this year," said SSB spokesman Ye Zhe.

He said Gross Domestic Product (GDP) rose 9.6 per cent to 4.567 trillion yuan (550 billion dollars) during the nine months, while industrial output was up 12.9 per cent over the same 1995 period to 1.357 trillion yuan.

But foreign analysts remained sceptical of the accuracy of these on-target figures and pointed to faltering exports and continued problems in the state sector.

In the nine months, faltering exports restrained trade growth to just 1.1 per cent, as exports shrank 2.7 per cent to 104 billion dollars and imports rose 5.8 per cent to 95.9 billion dollars.



An Extra Ordinary General meeting of the shareholders of Tripti Industries Limited was held at BCIC auditorium on Wednesday with Mubarak Ali, Managing Director of the company, in the chair.

**Re-Tender Notice**

বিদ্যুৎ ব্যবহারে মিতব্যয়ী হোন

Description of work: 1) Construction of 600 sqft floorspace 5-storey 10-unit residential building under 210 MW CTPSCP (2nd unit). Building No-13. 2) Construction work of 1000 sqft floor space 5-storey 10-unit residential building under 210 MW CTPSCP (2nd unit). Eligibility of contractors: Power Development Board enlisted 'A' class contractors and equivalent class Govt. Public Works Department enlisted contractors. Estimated cost: 1) Tk 35,58,760/37 (Taka thirty five lakh fifty-eight thousand seven hundred sixty and thirty seven paise) 2) Tk 59,17,885/13 (Fifty nine lakh seventeen thousand eight hundred eighty-five and thirteen paise). Tender price: 1) Tk 800/= (eight hundred) only, 2) Tk 1000/= (one thousand) only (non-refundable) in Pay Order/Bank Draft in favour of the Deputy Director (Accounts), Zonal Accounts Office (ZAO), Power Development Board, Agrabad, Chittagong. Date and place where from tender will be available: Up to 17-11-96 from Chief Engineer, Power Station Construction (PSC), Power Development Board, Biddu Bahan, 1, A Gani Road, Dhaka/Chief Engineer, Distribution, South Zone, Power Development Board, Agrabad, Chittagong and Sonali Bank, BIT Branch, Chittagong. Receiving and opening date: Up to 12 Noon of 18-11-96 and on the same day at 12:30 PM. Other conditions and rules related to the tender must be complied with properly.

Executive Engineer  
210 MW CTPSCP  
PDB, Rauzan, Chittagong

Ref: PDB/Jan-448/8/96-97  
1/BFP-23996-23/10  
G-1420