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DHAKA MONDAY, JANUARY 6, 1997

Easing conditionalities in garments export Tofael seeks French support to convince EU

French Ambassador to Bangladesh Mire Renee Veyret called on commerce and Industries Minister Tofael Ahmed at his office here Saturday, reports BSS.

The minister apprised the French Ambassador of the problems faced by the garments sector of Bangladesh in exporting ready-made garments (RMG) in European Union (EU).

The minister said EU is the single largest market of ready-made garments from Bangladesh contributing 54 per cent of the total export as EU provides generalised system of preferences (GSP) for importing from Bangladesh, resulting about 12.5 per cent duty exemption. But for qualifying GSP, EU

has imposed two-stage transformation, yarn to fabric and fabric to garments, for woven products while three-stage transformation, fibre to yarn to fabric to garments, for knitted items, he added.

Bangladesh in the last fiscal, exported garments to EU worth of 1378 million US dollars of which 943 million dollars from woven and 435 million dollars from knitwear products.

Appreciating the good motive of EU behind these conditionalities, the minister said, the present government, immediately after taking the responsibility, is pursuing for establishing backward linkages in industries. As a result, he said, so many textile and weaving in-

dustries are being constructed by the local and foreign entrepreneurs, adding that it might require another five years to be self-sufficient in three-stage transformation.

The minister requested the French diplomat to allow this as transition period as 1.2 million people, of whom 90 per cent are women, are working in about 2500 RMG units of Bangladesh and called for the French government's support to convince EU. He said, in the recent WTO conference, EU were very sympathetic to the causes of the least developed countries as EU and other developed countries were pledged in the Uruguay Round agreement signed in 1994 that LDCs would

be given the compensatory measures which was not realised properly.

The French Ambassador responded to a "positive" saying that the French government wanted to cooperate and work together more and more with the LDCs, especially Bangladesh. She said, the French government is ensuring modern technical knowhow in textile sector by giving training to technicians of Bangladesh. Besides, a technical college will be built in Bangladesh soon with the French assistance, she added.

Commerce Secretary Syed Alamgir Farouk Chowdhury was present in the meeting.

Nepal to apply for WTO membership

KATHMANDU, Jan 5: Nepal will apply to join the World Trade Organisation (WTO) to benefit from concessions available to its least developed member countries, officials said yesterday.

"Unless you become a member you cannot benefit from facilities given under the WTO regime by other countries," Mohan Dev Pant, the highest ranking civil servant in the Commerce Ministry, told Reuters.

Currently Nepal has observer status at the Geneva-based WTO. Pant said the centre-right coalition government had decided to seek membership in WTO, and Nepal would now submit a memorandum on its trade policies to the organisation.

After WTO member nations have reviewed the memorandum, which can take as long as a year, Nepal will submit a formal application, Pant said.

Nepal set up a taskforce in 1995 to study the implications of joining the world trade body, including the impact such a move would have on trading arrangements with neighbouring India.

S Korean union leaders pledge indefinite strike

SEOUL, Jan 5: South Korean union leaders pledged an indefinite walkout today unless the government repeals an unpopular labour law, leaving little hope the labour crisis would end soon, reports AFP.

The protest strikes will continue until President Kim Young-Sam accepts our demands," declared Kwon Young-Kil, head of the Confederation of Trade Unions (KCTU), South Korea's second largest labour group.

Kwon told a news conference that his federation boasting 300,000 members at auto and other key export industries would step up strikes from Monday at 200 work-sites nationwide.

He also ordered striking workers to stage mass rallies across the country this week, urging the largest Federation of Korean Trade Unions (FKTU) to take joint anti-government action.

The FKTU, which claims more than one million unionists including many white-collar workers, has vowed to resume a nationwide strike on January 11.

Protest rallies subsided today because of heavy snow in southern provinces, but some 1,000 FKTU members braved freezing weather to stage a boisterous rally in Seoul.

"The Kim Young-Sam government should be punished for dictatorship," shouted the protesters, as thousands of riot police, backed by armoured vehicles and tear gas launchers, kept tight vigilance in downtown Seoul.

LONDON, Jan 5: Biting cold which has consumed Europe ignited the crude oil market this week, as consumers scrambled to buy up heating oil to keep the Arctic freeze at bay, reports AFP.

As boilers bubbled across the continent, the reference price for North Sea crude went through the roof, rising by more than half a dollar per barrel.

But dealers viewed the surge in prices with a cool head and predicted that prices would melt with the onset of the spring thaw.

Producers were also set to step up output in the coming months, again tugging the steam out of any future rise in prices.

Investors continued to steer clear of gold this week and prices plummeted further, as dealers feared an imminent sell off of gold on the part of European central banks.

GOLD: Tarnished. Investors turned away from gold this week and prices slipped below 365 dollars per ounce for the first time since November 1993.

Traders remained troubled by rumours that European central banks might seek to sell off some strategic gold reserves in a

Labour Minister inaugurates 3-day workshop Jt efforts of govt, unions, NGOs needed to combat child labour

The imperatives of immediate eradication of intolerable forms of child labour and to address the causes that contribute to the prevalence of child labour in Bangladesh were highlighted here yesterday at a national workshop on child labour, reports BSS.

State Minister for Labour and Manpower, MA Mannan inaugurated the three-day workshop at the Goethe Institut which has been jointly organised by the Ministry of Labour and Manpower in collaboration with ILO and IPEC (International Programme on the Elimination of Child Labour).

The workshop, which is being participated by government officials, representatives of the employers and the trade unions, is expected to provide and platform to analyse the dynamics of the problem of child labour and attempt to formulate strategies to combat it, organisers said.

Mannan said child labour is not something which is found only in developing countries like Bangladesh, but rather a global phenomenon. No industrialised country can claim that there is no child labour in their own places. He said children work for their livelihood and that they are compelled to sell their labour because of social injustice and prevalence of economic inequalities.

Presided over by Mahe Alam, Secretary of Labour and Manpower, the inaugural session of the workshop was addressed among others by Mrs Mitsuko Horiuchi, Assistant Director General, ILO Regional Office for Asia Pacific based in

Bangkok. Paul Bailey, Director, ILO Office, Dhaka, Abdul Awal Mintoo, President of Bangladesh Employers Association and Dr Wazedul Islam Khan, representatives of the trade unions.

M A S Talukder, Director of Labour and Member-Secretary, IPEC national steering committee delivered the welcome address.

The workshop, being participated by about four dozen representatives from three sectors (labour, employer and government), is expected to come out with recommendations for a national plan of action on child labour and give priority to areas of operation under IPEC after holding several working sessions.

According to one estimate, Bangladesh has over 6 million child labourers and majority of whom work in informal sector.

The minister said children are the most precious resource of society and that is why they cannot be exploited just for the sake of their survival. He, however, said one heartening news about child labour in Bangladesh is that they are free from forced and mandatory labour.

The State Minister said the government, which criticises child labour has taken some steps outside IPEC to eliminate child labour. He mentioned the MOU signed between BGMEA, ILO and UNICEF to eliminate child from the garments sector.

Primary education has been made compulsory so that child labour can not cause any bad effect on the physical and mental growth of children.

Mannan, however, noted that in a least developed country like Bangladesh having population explosion, child labour is very much a reality. He stressed united effort to overcome this practicality gradually.

Mrs Mitsuko Horiuchi said years of efforts resulted in realisation among the majority of states of the need to eliminate child labour. She said to achieve full realisation of the ILO conventions on child labour, united efforts of government, trade unions and NGOs are needed. The ILO top official expressed her happiness at the commitment made by Bangladesh to overcome the problem of child labour.

Mintoo said because of huge size of child labour force, it needed realistic, long-term and short-term measures to tackle it. He said the priority will be to relieve them from hazardous jobs.

The president of the Employers Association said to get the children educated and trained and then employed at proper age will be possible only when the scourge of poverty can be removed and opportunities for employment created. He urged ILO to take initiative so that major donors help create opportunities in Bangladesh leading to the elimination of child labour.

Dr Wazedul Islam Khan urged the authorities to cut expenditure on unproductive sectors and channel those funds for developing the country thereby creating opportunities for children to learn and get employed at proper time.

The districtwise breakdown of land are: 5,400 hectares in Narail, 12,800 hectares in Jessore, 7,900 hectares in Jhenidah, 7,800 hectares in Magura, 3,200 hectares in Khulna, 2,900 hectares in Bagerhat, 6,400 hectares in Satkhira, 5,400 hectares in Kushtia, 5,400 hectares in Chuadanga and 4,700 hectares in Meherpur districts.

Besides, out of the mill areas about 14,600 hectares of land have been brought under sugarcane cultivation during the current season in 10 districts of Khulna division.

Govt to import 3.5 lakh tonnes of urea

By Staff Correspondent

The government has taken all necessary steps to import 3.5 lakh metric tons of urea fertiliser to meet up the possible shortage of the soil nutrient during the current peak season.

According to BCIC sources, of the total quantity, 1.55 million metric tons will be procured from the Karnaphuli Fertiliser Company (KAPCO).

BCIC has built up 20 'buffer-stock' godowns at different places of the country and another 8 such godowns are being built, the press release added.

BCIC and other government bodies are reviewing fertiliser situation in the country regularly to ensure timely supply of the chemical fertiliser.

Meanwhile, three consignments of urea fertiliser about 34,625 metric tons have reached Chittagong Sea Port while some other consignments of 160,375 metric tons will arrive at Mongla Port next month.

PHED to install 79 new tubewells in Chuadanga

CHUADANGA, Jan 5: The Public Health Engineering Department will install 79 new hand tubewells, 13 tara pumps and repair 118 tubewells in Jhenidah of the district in the current fiscal year, reports BSS.

An official source said the programme has been taken to ensure supply of pure drinking water in the rural areas of Chuadanga sadar, Alamdanga, Damurhuda and Jibannagar thanas.

Thirty per cent installation and repairing work has already been completed and the rest will be done by June next.

More lands brought under mustard seed farming in Narail

NARAIL, Jan 2: About 76,000 hectares of land have been brought under mustard seed cultivation during the current season in 10 districts of Khulna division, reports UNB.

Agriculture Extension Department sources said the production target has been fixed at 56,000 metric tons.

The districtwise breakdown of land are: 5,400 hectares in Narail, 12,800 hectares in Jessore, 7,900 hectares in Jhenidah, 7,800 hectares in Magura, 3,200 hectares in Khulna, 2,900 hectares in Bagerhat, 6,400 hectares in Satkhira, 5,400 hectares in Kushtia, 5,400 hectares in Chuadanga and 4,700 hectares in Meherpur districts.

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tin reserves.

TIN: Leap. The rise in copper prices and a fall in LME tin reserves, which dipped by 145 tonnes to 10,600 tonnes, conspired to lift tin prices by about 30 dollars, to 5,820 dollars per tonne.

OIL: Spurt. Crude oil prices soared this week as bitterly cold weather ravaged northern Europe and increased demand for heating oil, analysts said.

The price of Brent North Sea oil rose by 50 cents per barrel over the week to 24 dollars.

An oil specialist at BZW Merchant Bank, Nick Antill, said that the effects of the cold weather were "the only explanation" for the price rise. He said Europe was a net exporter of distilled petroleum products, such as heating oil, to the United States.

As the cold weather increased demand for such products in Europe, quantities available for export to the United States fell, he said.

Exports from EPZs rise by 40pc

By Govinda Shil

Export from the country's two export processing zones (EPZs) stood at 170 million US dollars (717 crore taka) during the July-November period of the current fiscal year showing a 40 per cent growth over the corresponding period of the previous fiscal year (1995-96), according to Bangladesh Export Processing Zones Authority (BEPZA) sources.

The Chittagong and the Dhaka EPZs fetched 127.70 million US dollars (about 511 crore taka) during July-November period of the last financial year.

During the five months, 31.50 million dollars (Tk 132 crore) were invested in Dhaka and Chittagong EPZs.

Chittagong EPZ, established in 1983, exported goods worth 127.42 million dollars while the Dhaka EPZ, established in 1993 fetched 43.25 million dollars during the period under consideration.

A total of 43,183 local workers and officials are now working in the EPZs factories. Jobs for 1,550 people are generated during the five months, a source said.

Last year, a total of 4,052 people were employed at the both EPZs. The overseas companies have so far invested a total of 228.98 million dollars (Tk 962 crore) in the EPZs in ready-made garments, electronics, camp and game materials, toys and leather and in other sectors.

Another 200 million dollar projects, mainly in textile sector, are in the pipeline now, the source noted. Both the EPZs were developing additional 300 plots to meet the increasing demands for plots by the investors.

The custom-bonded areas enjoy various fiscal and non-fiscal facilities which include, a 10-year tax holiday, exemption of income tax, duty free import

of equipment and raw materials, GSP facilities for US and Europe and Japan markets, repatriation of investment and profits, off-shore banking facilities etc.

The BEPZA is now acquiring land for the proposed Gazipur EPZ and carrying out feasibility studies for another EPZ in Khulna. Besides, the government is also allowing development of private EPZs in the country to tap the direct foreign investment, the sources mentioned.

UAE GDP rises

DUBAI, Jan 5: The United Arab Emirates gross domestic product rose to 157 billion dirhams (42.7 billion dollars) in 1996 at current prices from 144 billion in 1995, the Emirates Industrial Bank said yesterday, reports Reuters.

The oil sector's contribution to GDP rose by 15 per cent to 56.5 billion dirhams from 49.2 billion in 1995 due to the rise in world prices witnessed in the year, said the January edition of the journal of the Emirates Industrial Bank published today.

The oil sector accounted for 36 per cent of GDP in 1996, up from 34 per cent in 1995, the bank said.

The non-oil sector's input to GDP rose in 1996 to 101 billion dirhams from 95 billion in 1995, it said.

The manufacturing sector saw growth of 5.6 per cent in 1996, raising its share in GDP to 13.2 billion dirhams in 1996 from 12.5 billion dirhams in 1995.

All other non-oil sectors realised growth between five and seven per cent in 1996, the bank said.



Mosharrar Hossain, MD, Bangladesh Krishi Bank addressed conference of the bank's Sylhet region branch managers recently. — Star photo

Economists see 2pc US growth this year

WASHINGTON, Jan 5: US economic growth will slow to an annual two per cent this year, with inflation held to 2.9 per cent and corporate profits contracting in the face of weaker consumer spending, the Wall Street Journal said yesterday in its semi-annual survey.

The paper said the 57 private economists taking part in the forecast saw long-term interest rates holding steady. The vast majority, 49, predicted that the Federal Reserve would take no action to raise short-term rates at the February meeting of its open market committee.

"The economy is not likely to crash or take off like a rocket in 1997," said Kurt Karl of the Pennsylvania-based WEFAC group.

Gross domestic product, according to the survey, should expand two per cent in both halves of 1997, compared with

annual growth of 2.9 per cent in the first three quarters of 1996.

The consumer price index should rise only 2.9 per cent despite an unemployment rate below 5.5 per cent year-on-year, the index posted a 3.2 per cent rise in November.

Many economists, notably at the Federal Reserve, fear that tight labour markets will ignite a spurt of wage-driven inflation. But under current circumstances, with competition for consumer dollars intense, companies are reluctant to raise their prices, according to John Walter of Dow Corning Corporation.

"It's a jungle there," he said. A number of economists questioned by the Journal predicted that growth would be restrained by sluggish spending on the part of debt-burdened consumers, a tendency that will cut into corporate profits and capital investment.

By the end of the week, prices had settled at the same level as seven days earlier at seven dollars per bushel (of 27.2 kg) on the Chicago board of trade.

COTTON: Static. Cotton prices on the cash market hovered around 76.5 cents per pound (0.454 kg). Analysts said that the market remained nervous because of the low level of high-grade cotton stocks available for sales.

WOOL: Shrunk. Wool prices on the British market fell by the nine pence to 393 pence per kg in the face of reduced demand.

VEGETABLE OILS: Seesaw. A slowdown in the pace of purchases on the US market knocked vegetable oil prices lower at the start of the week. But prices then picked up once again on the back of speculative buying on the part of investment funds.

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Coming AGMs					
Company	Book Closure	AGM/EGM	Date	Venue & Time	Dividend Proposed
Chittagong Cement	01/03/97-20/03/97	AGM	20/03/97	Hotel Agrabad Ctg 10 am	1B2: 20
Tripl Ind	16/1/97-30/1/97				1R:1 (Pr & Tk 125)
BD Zipper	16/01/97-30/01/97		30/01/97	Sohag Community Centre, 11am	15
Orion Infusion	27/01/97-30/02/97		03/02/97	Hotel Sonargang, 10 am	1R21st par 17

Shipping Intelligence

CHITTAGONG PORT						
Berth position and performance of vessels as on 5-1-97						
Berth No	Name of vessels Cargo	L. port	Local agent	Date of arrival	Leave	
J/4	Taeping	Wheat(P)	Sing	Seacom	30/12	15/1
J/5	STN-1 A	Attach: 4/1	Y	AMBL	1/1	5/1
J/6	Rupea	D. Peas	Dubai	RRSA	21/12	6/1
J/8	Anodad					
J/9	Narce	Wheat(P)	P. Land	Seacost	25/1	14/1
J/10	Hallvad	Ureaf(G)	Rawa	UMTL	27/12	8/1
J/11	Wap RU	C. Clink	Sing	MBL	25/12	10/1
J/12	Padma	Cont	Sing	RSL	3/1	7/1
CCT	Kota Berjaya	Cont	Sing	Pil (BD)	3/1	8/1
CCT	Banglar Robi	Cont	Sing	BSC	2/1	5/1
QJ	Banglar Jyoti	C. Col		BSC	R/A	5/1
DJ/1	Tanary star	Attach: 20/7	IDLE	Para	BSAL	7/6/95 15/1/97
DJ/2	Banglar Urmil	IDLE	Para	MOMB	BSC	
RM/8	Banglar	Repair	Male	BSC	8/12	
CUFLJ	Mamata					
	Blue North	Attach: 10/7	Cement	Qing	PSAL	3/6

Vessels due at outer anchorage					
Name of vessels	Date of arrival	L. port	Local agent	Cargo	Loading port
Elbe	5/1	Sing	BD Ship	Cont	Cal
Susak	5/1	Col	Baridhi	Cont	Col
Hua Tang	5/1	Adab	Litmond	CSP/SSP	
Canan Arican	5/1	Sing	PSAL	Cement	
Banglar Kakoli	7/1	Mong	BSC	CL	Latt
Gul Lin Yang	6/1	Sing	RML	C. Clink	Enter
Apollon	6/1		AMBL	Scraping	
Checht	6/1	LMIC	SSST	West (G)	
Singhang-1	6/1		OSA		
Fong Yun	7/1	Sing	BD Ship	Cont	Sing
Meng Kiat	8/1	Mong	BD Ship	Cont	Col
Morning Bright	7/1		Oil	Vehi	
Meng Yang	6/1	Sing	AML	Cont	Sing
Sun Flower	7/1	Sing	Everett	Cl	
Fu Ping	7/1		Prog	Cl	
Bravo	9/1	Sing	RML	GSSP	
Stamford	8/1	Sing	RSL	Cont	Sing
Ocean-1	8/1	Cal	Cross	Cl	
Consistence	9/1	Sing	RSL	Cont	Sing
Petko R Slavrejkov	10/1	Sing	AASS	R.Seed	
Kota Bintang	9/1	Sing	Pil (BD)	Cont	Sing
Fong Lee	10/1	Sing	BD Ship	Cont	
QC Teal	10/1	Sing	QCCL	Cont	Sing
Xpress Trisuli	10/1	Col	Baridhi	Cont	Col
Star Craft	10/1		BBA	Vehi	
Tiger Star	10/1		BSC	Fert	
Banglar Shobha	10/1		BSC	Fert	
Sea Elegance	11/1	Sing	Pil(BD)	Cont	Sing
Evendros-K	11/1		Rainbow	Cement	
Soya	12/1		Rainbow	F. Peas/Wheat	
Fong Shiri	12/1	Sing	BD Ship	Cont	Sing
Bintang Harapan	12/1		Prog	Cl	
Mighty Tide	9/1		B. Bay		
Ismaia	9/1		B. Bay		
Thetis-K	7/1		H&H	Cement	
Astro Jyotin	14/1		Everett	JF	
Kanak Naree	14/1		Everett	Cl	
Da FU (Cont)	15/1	Sing	APL(B)	Cont	Sing

Tanker due		
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