

High-level meet held
Ways discussed to
privatise jute, textile mills

A high-level meeting Saturday discussed alternative ways to privatise the non-profitable state-owned jute and textile mills, reports UNB.

Finance Minister Shah AMS Kibria chaired the third meeting of the committee formed to review the prevailing situation in jute and textile mills.

Meeting sources said the committee is expected to take final decision regarding privatisation of the state-owned jute and textile mills in its next meeting on March 3.

The meeting was attended by Commerce and Industries Minister Tofael Ahmed, State Minister for Jute and Textiles A K Faizul Haque and parliament members Ahsanullah Master, Shahjahan Khan, Shamsul Haq and Shah Haiduzzaman.

Jatya Sramik League President Abdus Salam Khan, Convenor of Jute and Textile Mills Workers' Employees' Action Council Abul Bashar, Adamjee Jute Mills CBA President and President of Jute Mills Sramik League Rehanuddin Rehan, Yarn and Textile Mills Workers' Employees Federation President Badrul Alam Khan Lablu and Textile Mills Sramik League President Kamrul Anam also took part in the discussion.

Finance, jute and textile secretaries were present.

Japanese OECF
team calls on
Telecom Minister

A five-member delegation of Japan's Overseas Economic Cooperation Fund (OECF) led by Koji Fujimoto, Managing Director of OECF, called on Post and Telecommunications Minister Mohammad Nasim at the latter's secretariat office yesterday, reports BSS.

Additional Secretary in charge of the Ministry of Post and Telecommunications Mahub Kabir was present.

During the discussion the minister apprised the managing director of OECF of the government programme and policy on the telecommunications sector. He emphasised that in view of the government goal of achieving higher economic growth, the importance of infrastructures particularly that of telecommunications have increased. The government is drawing up plans to meet the increasing demand in this sector, he said.

Talks on GSP with EU

Industrialist
against 2-stage
transformation

A garment factory owner yesterday said negotiation with the European Union for availing GSP would be a disaster for the country's backward-linkage industry, reports UNB.

Mostafa Golam Qudus, who is contesting the ensuing BGMEA polls, said the government and the present BGMEA leaders had sought two-stage transformation of the rule of origin to enjoy duty exemption under the generalised system of preference (GSP) to export knitwear and sweater to the European markets.

"But two-stage transformation means there will be no backward-linkage industry in Bangladesh... not a single backward-linkage industry would develop in the country if we go for the two-stage transformation," he told UNB.

Qudus said the three-stage transformation condition was imposed in 1986 by the European Commission, asking the exporting countries to manufacture items with locally produced materials — from yarn to garments.

And Bangladesh complied with the condition, he said, adding it was a right decision. It helped develop the country's spinning industry. The local textile mills we see today are the result of the decision.

But the negotiation for two-stage transformation, under which yarn will not be required to be produced locally, would deal a severe blow to the local spinning sector, crippling the main backward-linkage industry, he apprehended.

LONDON, Feb 16: A surge in coffee prices this week, when dealers broke out into a cold sweat amid fears that exports of the world's favourite pick-me-up may tumble, was matched only by cooling cocoa prices, reports AFP.

Robusta coffee beans jumped to their highest level for six months, while in contrast, sweet cocoa beans slipped to an 18-month low on the London market.

Coffee prices reached boiling point as dealers feared that a public sector strike in Colombia, the world's second most important producer after Brazil, would hamper shipments of raw beans from the country.

Meanwhile, coffee stocks in consumer countries have been ground down to touch rock bottom levels.

Dealers in West Africa, and in particular in Ivory Coast, the top cocoa grower in the world — have in contrast been working overtime as this year's harvest arrived for export on

EC praises quality of
Bangladesh cotton

European Community (EC) report on cotton development in Bangladesh has praised the quality of cotton produced here, reports BSS.

The report said, "The quality of Bangladesh cotton is intrinsically good. It is better in length and above in grade."

It said only the lint cotton processed at the Cotton Development Board (CDB) ginneries is baled. The loose raw cotton is sold to local mills, where it is generally mixed with imported cotton for spinning.

The EC specialists said on average 650 kilograms of seed cotton per hectare could be produced here and without disrupting present cropping patterns, 40,000 hectares could be brought under cotton cultivation.

The European Commission recommended credit schemes for small-holders and construction of central baling facilities.

The Commission said "A cotton ordinance is a must to help the Bangladesh Cotton Development Board (CDB) in regulating the private ginning sector."

It also asked for ensuring the standards of seed quality and securing adequate and pure cotton seed supply.

The report said yields of seed cotton were raised from 466 to 1,011 kilograms per hectare from 1988 to 1994 production year.

The production boost was due to improvement of physical and chemical status of the soil through green manuring and application of lime, deep ploughing and zig-zag harrowing, weed control, application of fertilisers and proper irrigation, the EC report said.

The report mentioned that two permanent ginneries were owned by the Bangladesh Textile Mills Corporation (BTMC). The Corporation is reluctant to operate them because they do not intend to be involved in purchasing and transporting seed cotton and also because of

availability of sufficient imported lint cotton to run their mills.

CDB was running ginning centres at Pirganj, Sherpur, Jhichangchame, Meherpur and Sirpur from 1977.

The EC report cautioned that the "Poor standards of ginning (separating cotton from seeds) and cotton seed oil extraction" being practised by the private sector must be checked by introducing some form of regulatory control.

They said this control will ensure better price for the cotton growers and it will improve the quality of lint cotton and cotton seed oil.

These regulations will take the form of "a cotton ordinance" under which Cotton Development Board (CDB) will issue licences for ginning, the EC report said.

The CDB gin inspectors will inspect the ginneries, EC suggested.



Ko Hyo Keun, Vice President of Hanjin Shipping, is seen with the award recipients for supporting Hanjin Shipping on the occasion of Regensee Evening '97. Saher H. Chowdhury (fifth from left), MP and Managing Director of Regensee Lines Ltd, is also seen.

Tofael asks management

Improve efficiency of
state-owned enterprises

The management of the state-owned enterprises (SOEs) should improve their overall efficiency so that the quality of the products could be improved substantially for their existence, reports BSS.

This was stated by Commerce and Industries Minister Tofael Ahmed at a high-level meeting held in the conference

room of the Industries Ministry on Saturday. The meeting reviewed the problems faced by the country's sugar industries.

The meeting was attended by Chairman of the Bangladesh Sugar and Food Industries Corporation (BSFIC) A K Munshi, chief executives of 15 sugar mills and directors of the BSFIC.

Industries Secretary M Akhter Ali and officials concerned of the ministry were present at the meeting.

The chief executives of the mills explained the causes of the production shortfall which includes large-scale diversion of sugarcane to molasses manufacturing, lower rate of recovery at 7.63 per cent against the target of 8.4 per cent and insufficient production and supply of sugarcane.

The minister said in an environment of free market economy, the SOEs should survive competing in the market.

He said, the government could not bear the increasing losses incurred by the SOEs including sugar mills for an indefinite period.

"If this trend continues there will be no way to pay even the salaries of the employees in near future," he added.

The minister said the SOEs should reduce the overhead expenditure and increase the overall efficiency for attaining progress in the era of liberalisation and globalisation of trade.

A high-powered committee was formed in the meeting with the additional secretary of the Industries Ministry to identify the problems encountered by the sugar industries and to recommend measures for their solution to make the mills viable and profitable.

Dr. Alamgir tells JS
Tk540cr plan taken up for
modern airport in Ctg

Dr. Mohiuddin Khan Alamgir, State Minister for Civil Aviation and Tourism, yesterday, informed the Jatya Sangsad that a plan with an estimated expenditure of Taka 540 crore had been taken up for the construction of a modern airport in Chittagong, reports BSS.

There is no plan to construct new runway at Chittagong Airport, Dr. Alamgir said in reply to a question from Sarwar Jamal Nizam (BNP-Chittagong).

The minister, however, said a plan for strengthening of the existing runway for the use of DC-10 aircraft was under implementation. The plan will be completed in 1998.

Replying to a supplementary question from Nizam, the State Minister said not only the road connecting Chittagong Airport with Chittagong town, but all necessary facilities would be developed.

Dr. Alamgir said Barisal Airport had been built for the operation of STOL (Short Take Off and Landing) type aircraft. The runway in this airport has been made accordingly, he added.

The government is examining the construction of an airport at Khan Jahania near Khulna town, he said adding that land had been acquired near Mongla for future plan of constructing an airport.

Bahrain-based Islamic
bank likely to open
branch in city

By Staff Correspondent

The Faysal Islamic Bank of Bahrain, a leading international Islamic bank, is likely to open a branch in Dhaka this year to enter into Bangladesh market, says a press release.

Sarfraz Ali Sheikh will be as the country manager of the Bangladesh branch.

To evaluate the prospect of business here, its country manager Muneer Kamal will come to Bangladesh on a two-day visit when he will call on the Bangladesh Bank Governor and prominent members of business community.

The Faysal Islamic Bank is one of the largest Islamic bank in the world with an authorised capital of 200 million US dollars and a paid up capital of 100 million dollars, the release said.

Prince Mohammad Al Faisal Al Saud, a member of the Saudi Royal family heads the board of directors as its chairman.

The bank is actively involved in implementing its broad-based strategy of commitment to the principles of the Shariah, the provision of advanced technology services to its customers and the formation of strategic alliances with both conventional and Islamic financial and business institutions.

IDB loan
for REB

Islamic Development Bank will provide a loan amounting to about Taka 42 crore equivalent to ten million US dollars for the rural electrification of Gopalganj and Rajbari Pali Biddut Samities (PBS), reports BSS.

The loan will be utilised by the Rural Electrification Board (REB).

Foreign ministers meet
Growing trade to bridge
Asia-Europe differences

SINGAPORE, Feb 16: Foreign ministers from 25 European and Asian countries squabbled here for three days over wide political differences, but the Gulf between them has a strong bridge: Economics, says AFP.

Differences over such issues as human rights in Asia were loudly aired at the meetings which ended here Saturday, but participants stressed both regions want to ensure that trade and investment relations stay on track.

"Cooperation in economic areas has advanced rapidly," said a chairman's statement at the end of the inaugural meeting of foreign ministers from 10 Asian and 15 European countries. The momentum should be increased, the statement continued.

Belgian Foreign Minister Erik Derycke said Asia and Europe were unlikely to find common political ground in a hurry because the two regions were so different, but added that growing business ties would bring them closer.

"It will need a lot of years before we come to a full cooperation," Derycke told AFP. "But I think economic cooperation is helping to realise that objective."

"I think basically, whether you want it or not, the material element is very essential in all this."

Europe has lagged behind its traditional trade rivals Japan and the United States in seizing business opportunities offered by Asia's booming markets and its increasingly affluent populations.

European brand names with a presence in Asia range from Pierre Cardin accessories from France to Philips Electronics products from the Netherlands.

European companies, more keen on the markets in eastern Europe after the fall of the Berlin Wall in 1989, have a relatively small share of the total foreign direct investment stock in Asia, now in excess of 250 billion US dollars.

The European continent's trade with the booming economies of the seven-member Association of South-East Asian Nations (ASEAN), the core group of the Asian side, reached 99.5 billion US dollars in 1995, up from 75.5 billion dollars in 1994.

But the European Union's 15 members together still could not match the grouping's trade with the United States or Japan despite boasting a bigger combined gross domestic product.

European companies have "concentrated on other areas of the world and they are not as big risk-takers as the Japanese or the Koreans or even the Americans," Philippine Foreign Secretary Domingo Siazon said.

"But they are coming in now, the British, the French..." his Belgian counterpart agreed, saying "more and more" European companies including Belgian firms, were eyeing Asian markets, with analysts citing slow growth of saturated European markets.

"We are very cautious and careful people," Derycke said. "We need an assured environment and a good product and a good understanding of communications and people."

"We are not the kind of people who come and then run away. That's not our way of doing business. We tend to stay, not grab the money and run away."



Shabbir Yusuf, Chairman, Bangladesh Jute Spinners Association, addressed members of the association at the 18th annual general meeting at the conference hall of the organisation yesterday. Shahidul Karim, Secretary of the association, is also seen in the picture.

PEREGRINE BANGLADESH INDEX

Sunday's market comment

The market has continued its bullish trend up by 27.41 points (3.02%) closed at 936.05 yesterday. The PBI has gone up remarkably (720%) within this week. Out of the total 25 issues, 22 issues advanced, 2 issues declined and only one issue remained unchanged. BTC became the notable gainer (+9.92%), and Apex Foods became the top loser (-4.25%). There is a significant rise of the trading turnover, by 36%, over the previous day's turnover. The increasing trend of trading turnover with the increase in stock prices indicates that retail investors are feeling confident on the market after a tremendous shock swept over the past few months. The top five volume leaders of the day were Beximco Pharma (63,960), Shine Pukur (36,400), Bata Shoe (24,350), Monno Fabrics (21,400) and Beximco Synthetics (11,720). The average gain by the advanced issues was 3.75% and the average loss of the declined issues was 2.34%.

Exchange Rates

The following are the Janata Bank's dealing rates (BD Tk for one unit of Foreign Currency) to public as on 16/02/97

Selling	T.T. & B.C.	T.T. Clean	O.D. Sight	O.D. Transfer
US Dollar	42.9120	42.9650	42.6200	42.4511
GB Pound	69.8215	69.9026	68.7678	68.4852
D Mark	25.5571	25.5868	25.2319	25.0285
F. Franc	7.5822	7.5910	7.4508	7.4202
J Yen	0.3492	0.3496	0.3409	0.3395
C Dollar	31.9644	32.0015	31.4265	31.2973
S Franc	29.4636	29.4978	28.9587	28.8397

Janata Bank's selling and buying rates in cash currency for public:	US DLR	GBP	S RIYAL	UAE DH	KU DINAR
SELLING	42.9000	68.8215	11.6500	11.6500	141.0000
BUYING	42.3000	66.0715	11.2000	11.1500	135.5000

Shipping Intelligence

Chittagong port

Berth No	Name of vessels	Cargo	L port call	Local agent	Date of arrival	Date of leaving
J/1	Hong Xiang	Urea(G)	Sing	Seacom	31/1	18/2
J/2	Nai Jiang	GI	Sing	BDSHIP	1/2	19/2
J/4	Gios	GI	Col	Cross	8/2	20/2
J/5	Banglar Shobha	Urea(G)	Mar	BSC	11/1	20/2
J/6	Yang Tong	Urea(G)	Sing	Litmond	7/2	18/2
J/7	Tropeon	GI	Mad	BSA	14/2	19/2
J/8	Golden Grace	Urea(G)	UMM	Litmond	11/2	18/2
J/9	Siba	M Seed	Bomb	Rainbow	15/2	20/2
J/10	Banglar Mamata	GL	Mong	BSC	9/2	17/2
J/11	Jupiter-1	GI	Bang	Prog	10/2	20/2
J/12	Daizu Maru	GI	Sing	AASS	27/1	23/2
J/13	Meng Kiat	Cont	Mong	BDSHIP	15/2	19/2
CCT/1	Padma	Cont	Sing	RSL	14/2	18/2
CCT/2	X-Press Trisuli	Cont	Col	Baridhi	11/2	17/2
CCT/3	Meng Yang	Cont	Sing	AML	11/2	16/2
RM/4	Mekhanik Gordiyenko	Cement	Sing	RML	R/A	20/2
DDJ	Banglar Jyoti	C Oil	-	BSC	R/A	17/2
DDJ/1	Tanay star 16/2	Repair	Mong	BSC	R/A	17/2
DDJ/2	Banglar Asha	Repair	Mong	PSAL	7/6	-
RM/8	QC teal	Repair	Sing	QCSL	10/2	18/2
CUFUJ	Blue North (Atch)	Cement	Qing	PSAL	3/6	20/2
Kalco(U)	Al Mubarak	Urea	Indo	MTCL	24/1	19/2

Vessels due at outer anchorage

Name of vessels	Date of arrival	L port call	Local agent	Cargo	Loading port
Prudent Challenger	16/2	Yoko	ANCL	GI	-
Banglar Ruzi	16/2	Mong	BSC	Repair	-
Professor Buznik	16/2	UMM	Litmond	Urea(G)	-
Hang Cheong	16/2	UMM	Litmond	Urea(G)	-
Emeral Venture	16/2	Sing	Simni	Scraping	-
Mare	17/2	Sing	IPL	GI(COP)	-
Evimeria	17/2	UK	RSA	Wheat(P)	-
DA Fu 12/2	16/2	Sing	APL(B)	Cont	Sing
Magic Sky (Roro/24)	12/2	-	-	Oil	Vehi
Fong Yun	18/2	-	-	Oil	Vehi
Freesia 11/2	18/2	MGL	BDSHIP	Cont	Sing
Hemlock	18/2	Argen	OWSL	Wheat(P)	-
Chung Ping	18/2	-	Seacom	Urea(G)	-
Banglar Urm 4/2	19/2	Sing	BSC	Cont	Sing

Tanker due

Name of vessels	Date of arrival	L port call	Local agent	Cargo
Ocean Porpoise	17/2	Sing	MSTPL	Naptha
White Star	18/2	-	Seacom	CDSO
Jian She-35	22/2	BDSHIP	-	Lube Oil

Vessels at Kutubdia

Name of vessels	Cargo	L port call	Local agent	Date of arrival
Ismaya	-	-	B Bay	9/1
Mariopol	Wheat(P)	-	AASS	12/2
Asiplos	C Oil	-	BSL	11/2
Banglar Shourabh	C Oil	-	BSC	R/A

Vessels at outer anchorage

Name of vessels	Cargo	L port call	Local agent	Date of arrival
Kommunist	GI	-	BSL	R/A (14/02)
Yi Yang	GI	Xing	Prog	15/2
Faarabi	GL	Mong	SSL	16/2
Trade Down	Urea(G)	Switch	Litmond	16/2

Vessels not ready:

Name of vessels	Cargo	L port call	Local agent	Date of arrival
Chelyabinsk	Cement	Sing	CNCL	26/01
Captain X Kyriakou	HSD	Mapi	ECSL	13/02

Vessels awaiting instruction

Name of vessels	Cargo	L port call	Local agent	Date of arrival
Hydroussa	Ballast	Monr	OTL	21/12
Banglar Sampad	-	-	BSC	R/A (17/01)
Agensea-1	Ballast	Tampa	Gel	10/02

Vessels not entering

Name of vessels	Cargo	L port call	Local agent	Date of arrival
Marink-G	Cement	Sing	PSAL	30/01
Starsin	Cement	Sing	USTC	07/02
Pedro-S	Scraping	Durb	UMTL	12/02
Sevan	Urea(G)	Bont	Litmond	09/02

Movement of vessels for 17.2.97

Outgoing	Golden Grace	DOJ	B Shourabh	J/13 Meng Kiat	CCT/2
Incoming	Siba	CCT/3	Da Fu	J/9	Siba to J/3
Shifting	J/10 B Mamata	J/10/12	Faarabi	J/8	G Grace to J/13
	J/12 Daizu Maru	J/9/8	Prudent		
	CCT/2 X-Press Trisuli	RM/6/5	Capitan Ocean		
	DOJ	Jyoti			
	DDJ/2 B Asha	DDJ/2	Kommunist		

The above are the shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by HRC Group, Dhaka.

Commodity market: Coffee, tea strong; gold, oil weak

the global market.

A hefty crop in Ivory Coast coupled with the effects of a surge in the value of the pound sent cocoa prices down the tubes.

Speculative purchases lifted platinum, palladium and silver prices, but gold lost its dazzle in the eye of investors and its price fell.