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Omni Airlines gets licence for cargo operation

Following the government's liberalization in the aviation sector, Omni Airlines has been recently granted an "Air Traffic Operators License" by the Civil Aviation Authority of Bangladesh (CAAB) to operate as an international cargo airline.

The newly-formed airline is a joint venture between the Enem-Omni Companies of Bangladesh and Air Cess — a United Arab Emirates based cargo airline. The newly-formed carrier plans to operate one, two and three weekly flights on regular scheduled and charter basis to Sharjah, Delhi, Bombay, Madras, Calcutta, Kathmandu, Hong Kong, Bangkok, Singapore, etc., with two freighter aircrafts — each with a capacity of 15 and 35 tons on-line from the last week of May 1997, says a press release.

Omni Airlines will fill a void long-felt by the exporting, importing and freight agent community of Bangladesh, Europe and North America particularly by offering air cargo space and lift requirements on regular and chartered basis during peak demands for exports of garments and perishables.

Enem-Omni Companies are a highly respected and well-known recognized pioneers in the field of air, ocean and surface transportation in Bangladesh since 1972.

Enem-Omni sent the first international courier document and small package shipment from Bangladesh and continued to be market leader at the inception of the ready-made garment trade.

Enem-Omni introduced the first fully steel covered body red coloured "Express" trucks in Bangladesh for the safe and secure inland surface transport.

UK trade official arrives today

The UK Department of Trade and Industry's (DTI) Director for Sub-Saharan Africa and South Asia, Nick McInnes, arrives in the capital today on a two-day official visit, reports UNB.

On his first visit here, McInnes will be accompanied by Susan Schroeder, DTI Desk Officer for Bangladesh, and stayed here till Friday.

Focusing the visit on the energy sector, he will call on the Secretary of Power, Energy and Mineral Resources Ministry, the Director General of Power Cell and the Chairman of Petrobangla.

McInnes will leave Bangladesh for Nepal, said a British High Commission Press Release.

China, Myanmar agree to open route to Indian Ocean

BELJING, May 6: China and Myanmar have agreed to jointly develop a major Myanmar river to open a route to the Indian Ocean, China's state-run Xinhua News Agency said Monday, reports AP.

Xinhua said the plan links Kunming in southwest China's Yunnan province by road to Bhamo, on Myanmar's Irrawaddy River.

The river flows through Myanmar into the Andaman Sea, giving access to the Indian Ocean.

Xinhua said China and Myanmar will sign a land and river joint transport agreement in the second half of the year. They also will approve the joint development of industrial and agricultural projects in Bhamo, it said.

The route will boost economic development in China's landlocked southwest, and will be 5,800 kilometres (3,600 miles) shorter than between Kunming and the port city of Shanghai on China's east coast, Xinhua said.

Overseas investors allowed to trade freely in Pakistan

KARACHI, May 6: The State (central) Bank of Pakistan (SBP) today authorised overseas investors to trade in government and private debt instruments, reports Reuters.

It has been decided to allow non-residents to trade freely in the registered corporate debt instruments," an SBP circular said.

It said foreign investors, including expatriate Pakistanis, would be able to invest in bonds and term finance certificates listed on Pakistani stock exchanges, including the government's federal investment bonds and treasury bills, in the secondary market, through special convertible rupee accounts.

It said repatriation of capital and profits/interest would be subject to the condition that the issue/purchase price was paid in foreign exchange, either remitted through banking channels or out of a foreign currency/special convertible rupee account maintained with a bank in Pakistan.

Bid to ensure market in US, EU

Shrimp exporters adopt hygienic, turtle-friendly practices

By Govinda Shil

Local shrimp exporters have recently adopted hygienic and turtle-friendly practices to ensure a continued market share in the US and EU, officials and exporters said.

A US expert team, which demanded that shrimp fishermen use "Turtle Exclusion Devices" (TEDs) when catching sea shrimp, is scheduled to visit Bangladesh from May 8 to train personnel of the Marine Fisheries Training Centre (MFTC) about the use of the devices.

US authorities say current practices are threatening several endangered species of turtle which are only found in tropical waters.

"An official notification has already been issued to the marine fish trawler owners on the application of TEDs," said an Export Promotion Bureau official.

He said the device would be

inexpensive even in Bangladesh.

The experts would train MFTC personnel in Chittagong on May 11 and 12, who would later train the fishermen.

The Marine Fisheries Department conducted a study in the late eighties under the auspices of a Food and Agriculture Organisation (FAO) expert. The study said these turtles do not live in the Bay of Bengal.

Shrimp and other frozen foods are the second largest foreign exchange earning sector in the country. It fetches about Taka 1764 crore annually.

But frozen food exports fell short of their projected earning target for the July-March period of this fiscal year by about Taka 273 crore. Exporters claimed this was mainly due to lack of shrimp production, closure of processing plants and

lack of funds.

Bangladesh's shrimp export to the EU will not be disrupted due to the 'special consideration' given by the EU headquarters in Brussels, said a Directorate of Fisheries source.

Earlier, the EU had set a deadline for the development of 'hygienic' processing plants according to its directives, and urged Bangladesh to send necessary documents to Brussels by April 30.

According to EU directives, Bangladesh would lose its share in the EU's shrimp market if it failed to send the documents in time. Officials added that Pakistan had already lost its EU market share for not complying with the EU's directives.

"We have been able to avert a critical situation as the local EU office has given us additional time to send the documents," said one leading exporter, quoting EU sources.

Bangladesh Frozen Foods Exporters Association (BFEEA) president Golam Mostafa said some 25 to 30 shrimp consignments, valued at about Taka 50 crore were currently stranded at Chittagong Port awaiting export to the EU market.

Mostafa said at least 58 frozen food processing plants out of 122 have adopted improved technology to bring it into line with the EU's health and hygiene criteria and some of them got the green light for export to Europe after they were inspected by EU delegates.

The EU demanded that the government of Bangladesh ensure the quality of the plants and three testing laboratories in Dhaka, Chittagong and Khulna and send an 'official guarantee' of shrimp quality to the EU.



Samson H Chowdhury, President of Metropolitan Chamber of Commerce and Industry, Dhaka, opening the mobile chain store of City Cell at 81, Kakrail in the city yesterday. Pacific Bangladesh Telecom Ltd, the company which introduced mobile phones in Bangladesh, opened the shop as part of its chain stores to sell, rent, activate and service mobile phones. —Star photo

Bangladesh imports a number of sub-standard products: Study

Bangladesh imports a number of products which are sub-standard or not allowed to be sold in domestic market of the exporting countries, a study on the country's trade revealed, says UNB.

The study team report on the impact of the Uruguay Round, submitted recently to the government, quoted local industries to have attributed such imports to liberalisation and relaxation of controls.

The report says problems of the local industries compounded as a number of imported products sell at knock-down prices.

The industries which are particularly affected by such imports that are either dumped or sub-standard include detergents, ceramics, glass, bicycle and electrical products.

Many of these products are exported by developing countries in the region, the report says. They are able to sell such products at cheap rates either because their cost is low, getting subsidies or dumping the goods.

The local industries, it points out, complain that prices are low because of subsidies and dumping.

"The problems which some industries in Bangladesh are facing are perhaps no different from

those faced by the industries in other least developed countries," the report says.

It quoted UNCTAD 1996 report on LDCs: While liberalisation will undoubtedly benefit consumers in these economies and ultimately their economies if it provides stimulus to the development of more efficient and

World's biggest gold mining hoax in Jakarta

JAKARTA, May 6: The Indonesian government today banned Canada's Bre-X Minerals Ltd. from operating in the country pending possible legal action over the Busang gold hoax, reports AFP.

The world's biggest gold mining hoax has left Indonesia reeling and is unlikely to have a major impact on general foreign investor sentiment, analysts said.

Independent analyst Strathcona Minerals — hired by Canada's Bre-X minerals which claimed to have found the world's richest gold field at Busang in Indonesia — said the gold deposits were negligible.

competitive industries, many of the existing import-substituting manufacturing firms are unlikely to survive.

"This will have social costs as workers lose their jobs," the UNCTAD reports says.

Against this backdrop, the study report observes, it is clear that the government's ability in future to get support of the industry and business community to the open and liberal policies would depend on the establishment and development of a viable system.

This system will have to assure the industry and trade that the government is willing to come to their assistance when such policies create problems for certain sectors of industries, which are not able to withstand competition or where foreign products are indulging in unfair trade practices.

Former Director of the World Trade Organisation (WTO) Vinod Rege led the four-member expert team to assess the impact of the Uruguay Round Trade Agreement on Bangladesh's economy and formulate the report.

Dr Mahbub-ul Haque, Dr Abul Kalam Azad and M Iqbal were the local consultants for the study. The report was presented at a seminar at the FBCCI late last month.

High-powered IMF team calls on Motia

The visiting eight-member high-powered delegation of International Monetary Fund (IMF) called on Food and Agriculture Minister Begum Motia Chowdhury at her office yesterday, reports BSS.

The Adviser of the Asia and Pacific Department of IMF Ms Margaret R Kelly headed the delegation.

They discussed the agricultural inputs and agricultural credit system in Bangladesh.

The minister explained the strategies of agricultural production and sought more cooperation of IMF to improve the quality of life of the marginal and small farmers of Bangladesh.

Replying to a question she said we can achieve the target of production of 2 crore 50 lakh metric tonnes of food grains in a year through irrigation and proper utilisation of lands all over the country in the winter season.

Begum Motia Chowdhury said the present government has given top priority to the agricultural sector.

The delegation assured the minister that IMF always showed its interest for the development of agriculture sector in Bangladesh.

BCSIR leases out process for production of wheat flakes

A process for production of wheat flakes developed by a group of scientists under the leadership of Azizur Rahman, Principal Scientific Officer of the Institute of Food Science and Technology, Bangladesh Council of Scientific and Industrial Research (BCSIR), has been leased out to a local entrepreneur for commercial production, says a press release.

An agreement to this effect was signed between BCSIR and M/s Kent Food, Dhaka, at the Council recently.

Dr Enam-e-Rasul Chowdhury, Member (Development) BCSIR and Md Eusuf, Managing Director of M/s Kent Food, signed the accord on behalf of their respective organisations.

Business leaders split over Labour ability to run economy: Survey

LONDON, May 6: British business leaders are split over the ability of the new Labour government to run the economy successfully, a survey out on Tuesday shows, reports Reuters.

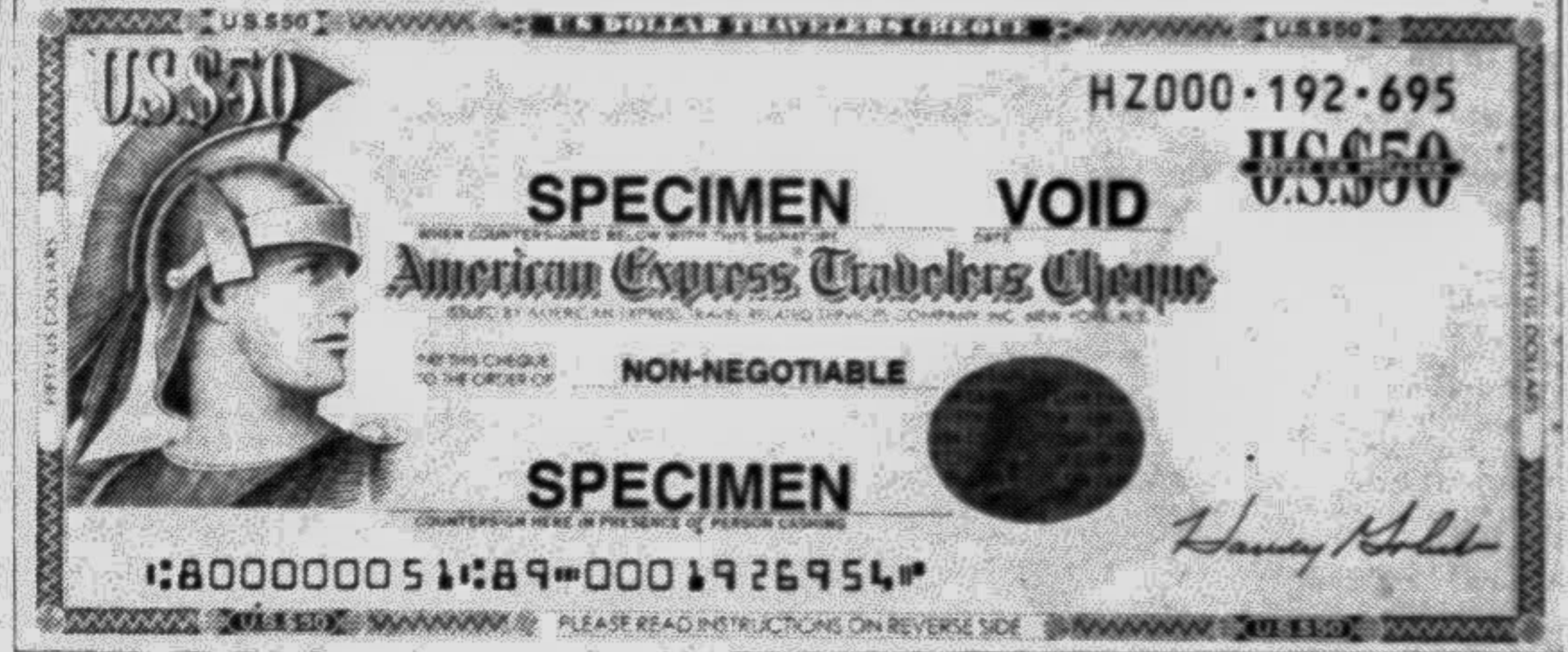
Business information group Dun and Bradstreet canvassed 600 managing and finance directors and found 45 per cent were confident that new Labour government would handle the economy well.

Exactly the same number said they were not confident with the rest saying it was too early to tell.

"Business leaders appear from the results of this poll to be more hard-headed than the rest of the general public," said Philip Mellor, senior analyst for D and B. "In contrast to the general euphoria across the country the jury are out. Business leaders will wait and see before they deliver their verdict."

Nearly 40 per cent of the business leaders polled said the election would have little impact on their businesses. But of those who said it would have an effect, 58 per cent said it would be a positive one.

One-third of the businessmen said Europe was the key issue to be addressed by the new government. Taxation and national insurance were named by 27 per cent as the most important areas of policy.



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Redesigned American Express Travellers Cheques in different denominations will be available in Bangladesh by September this year which have already been put on sale in USA.

Tofael at BGMEA function GSP for garments export to EU right of LDCs

Commerce and Industries Minister Tofael Ahmed has said the compensation given by the EU countries to LDCs including Bangladesh for their garments export in the form of generalized system of preference (GSP) is the right of LDCs, reports UNB.

According to the Uruguay Round agreement, he said, the developed countries and industrial economies are committed to take compensatory measures so that LDCs can face the challenges of trade liberalization and exploit the opportunities of globalization of trade.

The minister was addressing a dinner party hosted by the BGMEA at a local hotel on Monday.

Head of the EU mission in Dhaka Michael Drury, diplomats of EU countries, BGMEA executives led by its president Mustafa Golam Quddus, and prominent businessmen attended the function.

Tofael said GSP is a well-talked issue in Bangladesh. Bangladesh is getting 12 per cent tariff concession through GSP since 1986 as per the agreement between EU and the then government of Bangladesh.

The condition for getting GSP was three-stage in-country transformation (fibre to yarn, yarn to fabric and fabric to garment) for knit products and two-stage for woven products.

But in 1986 or even in early 90s, there was no industries for producing yarn or fabrics for knit garments, he said.

The minister said government is committed to ensure transparency and accountability in all its activities and establish a "good image" to the

American Express introduces redesigned TCs

American Express, the world's largest Travel Related Service Company, Sunday announced that its \$50, \$100, \$500 and \$1,000 denominated Travellers Cheques are getting a facelift, making the 106 years old product more distinctive, easier for merchants to verify and more secure, says a press release.

The redesigned cheques have already gone on sale in the US and would be available in Bangladesh by September this year.

One of the most striking new features is that the back of each cheque now has printed acceptance instructions which help acceptors confirm the authenticity of the American Express Travellers Cheque.

Other new features include a colorful shifting holographic foil image of the American Express logo, Centurion and currency denomination; a watermark of the American Express Centurion; and an embedded thread that runs down the center of the Cheque and reads "AMEX".

Like the US Treasury's new \$100 bill, the American Express Travellers Cheque was redesigned with advanced security features to keep ahead of counterfeiters.

"We are introducing the new design to further enhance the safety and security of the Travellers Cheques" said Rajan Bhatt, Area Director, Stored Value Group, India & Area.

American Express reported record revenues from Travellers Cheques sales at the end of 1996 with sales surpassing \$26 billion. In our region too, Travellers Cheques are at an all time high and growing rapidly, said Bhatt.

The American Express Travellers Cheque has been redesigned four times since it was introduced in 1891. The denominated Travellers cheque, Cheques for Two, and foreign-currency Travellers Cheques continue to carry the 1994 design. All versions will be honored by American Express.

American Express Stored Value Group offers a variety of pre-paid payment products, including the American Express Gift Cheque, IncentiveFunds Card, FirstClass PhoneCard and PhoneFunds Card.

Dhaka to get Tk 113 cr grant from Denmark

Bangladesh will receive Danish Kroner 167 million, equivalent to Tk 113 crore as grant from Denmark in the current year for various development programmes, reports UNB.

The country is also expected to receive an amount of Danish Kroner 1.3 billion, equivalent to Tk 900 crore, during 1997-2001 period, including assistance to NGOs.

Agreed minutes were signed to this effect between the countries here yesterday. The agreement was reached at the end of annual consultations on Bangladesh-Denmark development cooperation.

The three-day consultations, apart from general evaluation of the status of the existing Bangladesh-Denmark bilateral economic cooperations, reviewed the progress of implementation of the ongoing projects funded by DANIDA.

Discussion was also held on pipeline projects which are under consideration of the Danish government. Overall political, economic and development situation in Bangladesh and the development cooperation between the two countries also came up for discussion.

The two sides noted that recent developments in changing the cooperation from project to programme support were encouraging.

The Danish delegation found that implementation of the present programme was in general satisfactory and appraised the Bangladesh's role of the future country frame.

The country frame will increase from 27.8 million US dollars in 1997 to 44 million US dollars in 2000. The total amount in the next five years was planned to be around 220 million US dollars or Tk nine billion.

The Danish side observed that due to bureaucratic delays concerning approval and implementation of projects, the resources made available from Denmark was under utilised.

ERD Joint Secretary Md. Anwar Hossain and Head of the Department for Asia and Pacific of the Ministry of Foreign Affairs of Denmark Ove Ullerup led the Bangladesh and Danish delegations respectively in the consultations and signed the agreed minutes on behalf of their respective governments Tuesday afternoon.

Denmark has been supporting projects in sectors like rural development, primary health-care, water transport, socio-economic infrastructure, agriculture, water resources since 1971.

Govt ready to provide help to foreign investors

The government intervened the issuance of false GSP certificate to the garments exporters and made a high-powered committee to check any pilferage in getting GSP, he added.

At the same time, he said, government is maintaining regular discussions with the European Commission authority and the governments of EU countries for derogation of rules of origin criteria from 3-stage to 2-stage for both knit and woven products.

The minister said that the government has taken various measures to attract private investors to set up sufficient textile industries.

Commerce and Industries Minister Tofael Ahmed has said the government is ready to provide necessary cooperation to the foreign investors so that they can feel better to invest in Bangladesh, reports UNB.

All possible steps will be taken to remove bottlenecks in investing in the country, he said while talking to Ambassador of Republic of Korea (ROK) to Bangladesh Tae Kyu Han at the Secretariat office Sunday.

The minister said Bangladesh greatly valued Korean investment as good number of companies from ROK are now on production with reputation.

National Tea okays 14 pc dividend

The 19th annual general meeting of National Tea Company limited was held at Dhaka Sheraton Hotel here Saturday with the company's Chairman Mohammad A Harris Chowdhury presiding a National Tea Company press release said, reports BSS.

The shareholders discussed and reviewed the activities of the company including its development programmes and approved the audited accounts for the year 1996.

The company approved 14 per cent dividend to its shareholders.

This year Prof M A Shahid and Najimul Hasan Zahed have been elected directors amongst "A"-class shareholders Dr A K Abdul Mubin, Addl. Secretary, Ministry of Finance has been re-nominated as director from the "B"-class shareholders.

Labour gives Bank of England more freedom

LONDON, May 6: The new Treasury chief, Gordon Brown, raised interest rates by a quarter point Tuesday and said the Bank of England, rather than the government, now has the power to set rates, reports AP.

Analysts had expected the new Labour government to inch rates higher but Brown acted even more swiftly than expected — on the first business day since he took over as chancellor of the exchequer.

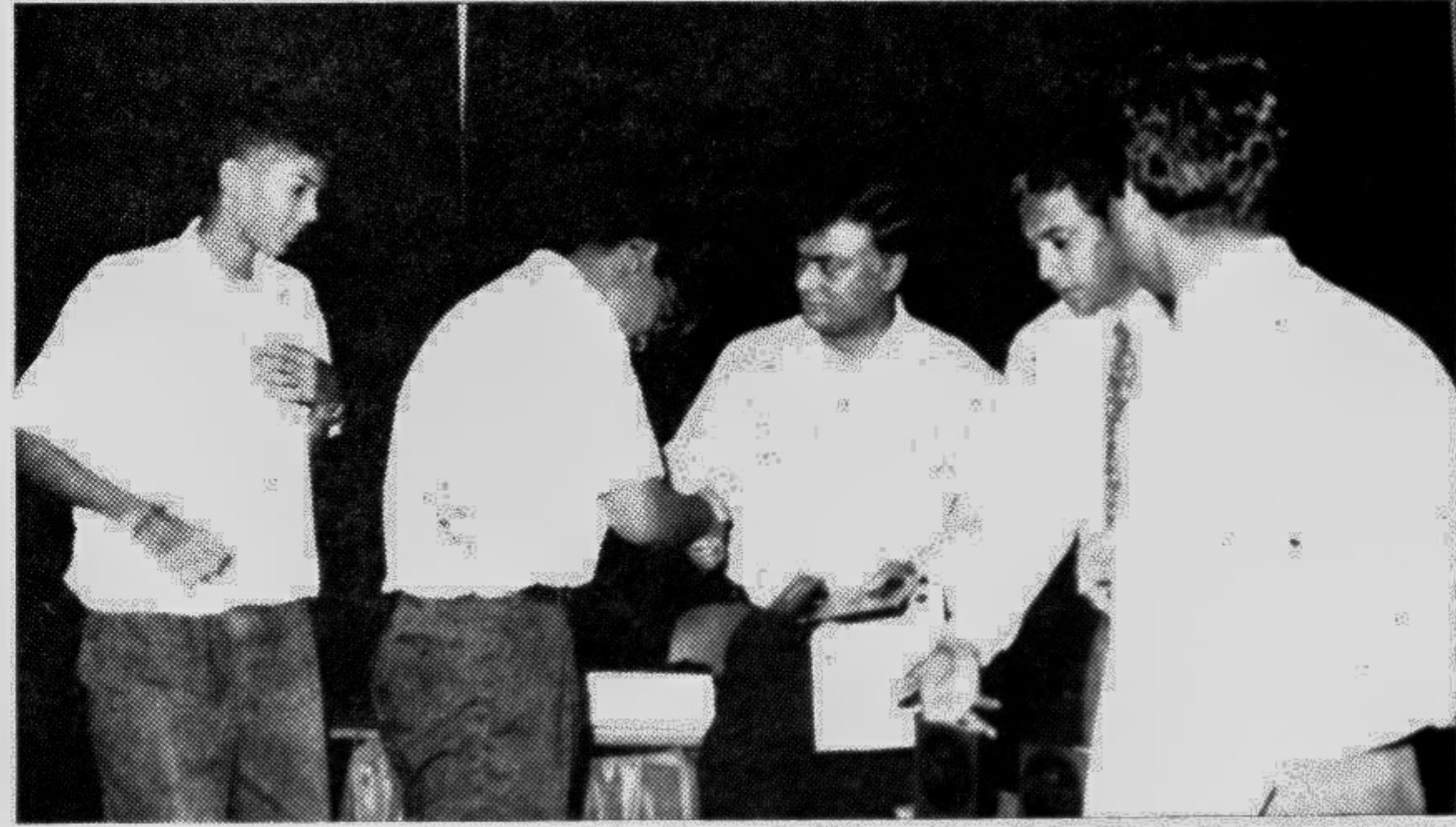
Brown met with Bank of England Governor Eddie George a day early, then raised the minimum lending rate that the bank of England charges to commercial banks to 6.25 per cent from six per cent.

The former Conservative chancellor, Kenneth Clarke, had for months rejected the Bank of England's urgings for higher interest rates, saying that inflation had been tamed and higher rates could slow the economic recovery.

The central bankers had worried that inflationary pressures were growing too strong — but under the old system they could not act without the chancellor's permission.

From now on, the Labour government will set inflation targets then leave the central bank free to put interest rates where it wants them, Brown told a news conference.

The British pound rallied on the news, hitting 1.6290 dollar from 1.6212 dollars just before Brown spoke, and 2.8138 German marks, up from 2.8002.



Abdul Haque, Managing Director of Reckitt and Colman Bangladesh Limited, distributed prizes among contestants of the first Cherry Blossom School Quiz Competition held in the city recently.