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**HYUNDAI**

CARS THAT MAKE SENSE

SIA's cabin crew given training on sushi making

About 40 staff from Singapore Airlines Cabin Crew Division were given a "hands-on" demonstration of making sushi (Japanese rolled rice cakes) recently, says a press release.

The session was held at a function room in SIA Training Centre.

The activity was organised by Cabin Crew's Gourmet Circle as part of its objective to upgrade crew knowledge and skills in preparing fine cuisine to satisfy the tastes of discerning passengers.

During the session, participants were introduced to the fascinating world of sushi by SATS Catering's Executive Sous Chef Masayoshi Takahashi.

He started the session by defining the different types of sushi and the ingredients that go into making them. Takahashi also elaborated on the intricacies of sushi making.

India's cement industry may grow by 9 pc a yr

NEW DELHI, May 31: India's cement industry, the fourth largest in the world is expected to grow at between nine and 10 per cent annually between April 1997 and March 2002, Industry Minister Murali Manohar said, reports Reuters.

"With GDP (Gross Domestic Product) growth envisaged at seven per cent per annum, the cement industry should produce 113 million tonnes by 2002, in comparison to 76 million tonnes in 1996/97 (April-March), Manohar told a cement industry meeting.

He said demand for cement would be driven by an expected spurt in industrial growth and an increase in demand from the infrastructure roads and housing sectors.

Manohar said he expected cement exports to grow to eight million tonnes by 2001/2 from 2.73 million tonnes in 1996/97, mainly to the key markets of South-East Asia and the Middle East.

Russia-France end decades of acrimony about gold, bonds

MOSCOW, May 31: Russia and France have dropped a series of mutual claims, ending decades of acrimony about gold and imperial bonds dating back to the Bolshevik Revolution.

A government order, a copy of which was obtained by Reuters on Friday, paves the way for Moscow to join the Paris Club of creditor nations and pursue claims for billions of dollars owed it by developing countries, and also issue new bonds in France.

The regulation signed by Russian Prime Minister Viktor Chernomyrdin on May 26 says neither Russia nor France will pursue claims on mutual debts accumulated before May 9, 1945.

There was no immediate confirmation from the French authorities.

Philip Poole, Director of research Eastern Europe and Russia at Ing-Bank, said the agreement would help Russia enter the Paris Club and seek repayment of about 37 billion dollars it is owed mainly by developing countries.

"These payments in relation to France are a stumbling block for allowing Russia into the club as a club member you should be current on all your debts and you should have dealt with previous indebtedness problems," Poole told Reuters.

Moscow is to decide whether it wants to join the club, which France chairs, by next month's G-7 meeting in Denver.

France claimed repayment on bonds floated by the Tsarist government on international markets to finance various projects including the construction of the trans-Siberian railway.

As a debtor Russia signed a 40 billion dollars rescheduling agreement with the Paris Club for 25 years in 1995.

The new Soviet government repudiated its pre-First World War debt to France, leaving 400,000 French holding beautiful but worthless bits of paper.

Moscow has settled smaller debts to bondholders in Britain, the US and Switzerland.

But France, where most of the bondholders came from, says it is owed about 30 billion dollars, mainly in interest payments.

Under the new agreement Moscow has settled the claim by agreeing to pay France 400 million dollars within three years. It hopes that French investors will participate in buying Russia's next Eurobond due in June.

Myanmar, Cambodia, Laos get ASEAN membership in July

KUALA LUMPUR, May 31: The Association of Southeast Asian Nations (ASEAN) decided today to admit Myanmar, Cambodia and Laos in July, shrugging off Western pressure to keep out army-ruled Myanmar, reports AFP.

"We are satisfied they are very prepared to be ASEAN members and we have decided to admit them at the ASEAN ministerial meeting in July," Malaysian Foreign Minister Abdullah Ahmed Badawi said, after a foreign ministers' meeting.

The ministerial meeting concerned is scheduled to be held in Kuala Lumpur July 24-25.

ASEAN groups Brunei, Indonesia, Malaysia, the Philip-

pines, Singapore, Thailand and Vietnam. Malaysia is the current chairman of the grouping.

Badawi told reporters that the decision to admit the three countries in July, rather than December when ASEAN leaders told a summit, was unanimous, and denied that it was a signal to the West.

"ASEAN is not sending a signal to anybody. We are doing it in the interests of the region and in the interests of ASEAN," said Badawi, who chaired the meeting.

The special meeting was held amid pressure from the West and human rights organisations to put off the entry of army-ruled Myanmar because of a crackdown on pro-democ-

racy activists, and rising political temperatures in Cambodia. Badawi said ASEAN members were all "very aware of the circumstances" but no one expressed any reservations.

He said "all factors have been taken into account" in deciding to expand the grouping in July and fulfil the vision of an "ASEAN 10" in the 30th year of its existence.

"We have expressed our concerns over what is happening in Myanmar, but we believe it is better if Myanmar is in ASEAN," Badawi said.

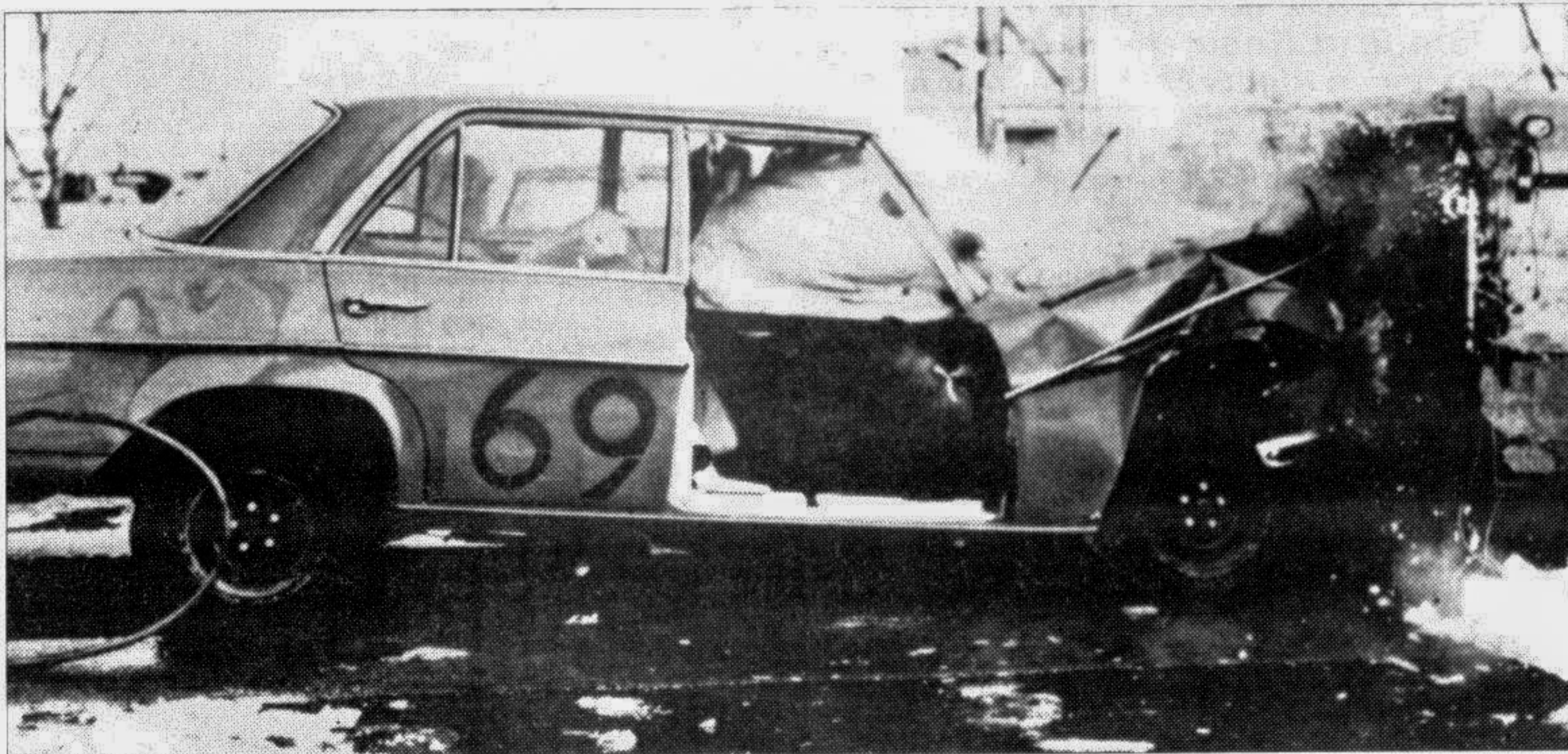
The Malaysian Foreign Minister said Myanmar, Cambodia and Laos will be given 10 years from January 1998 to comply with tariff cuts required under a

plan to create an ASEAN free trade area (AFTA), which will be in place by 2003.

"I think we have made a good decision," said Indonesian Foreign Minister Ali Alatas, who had openly called Friday for an expanded ASEAN by July rather than December.

"By having all three enter we are now complete. We are in a better position as ASEAN to contribute to peace and stability in our own region and the larger East Asia," Alatas said.

He said Badawi would travel to the capitals of Myanmar, Cambodia and Laos to inform the would-be entrants of the "decision and the intent and purpose of the decision," ahead of their formal admission.



Twentyfive years of airbag development at Mercedes-Benz. The first 'big bang' by an airbag was triggered toward the end of the 1960s. Today, hardly any cars are made without having an airbag fitted. The new safety system was patented in 1971.

— IN photo

Sony reports record earnings

TOKYO, May 31: Sony Corp. announced record profits for the latest fiscal year as the weaker yen and strong sales across the board continued to boost the fortunes of Japan's best-known electronics maker, reports AP.

Sony's net profits more than doubled to 139.46 billion yen (1.12 billion dollars) in the year ended March 31, compared with 54.25 billion yen (437.5 million dollars) the previous year.

Sales soared 23 per cent to 5.66 trillion yen (45.67 billion dollars) from 4.59 trillion yen (37 billion dollars).

Sony said both the sales and net income figures were records. As in the previous year, the depreciation of the yen against other major currencies was a big factor pushing up the company's profits, which are reported in yen.

Without the roughly 15 per cent depreciation of the yen against the dollar and other currencies, Sony said its sales would have been about 520 billion yen (4.19 billion dollars) lower, meaning that currency changes accounted for about half of the advance in Sony's sales figures.

Income from movie videos and television shows helped boost sales figures in the division, Sony said, as did the success of the Tom Cruise movie "Jerry Maguire."

Gujral lauds role of MCCI-CII JEC

Indian Prime Minister I K Gujral has appreciated the proactive role of MCCI-CII Joint Economic Council (JEC) in further enhancing Indo-Bangladesh economic ties.

He made the appreciation during a meeting with a delegation from MCCI-CII JEC comprising Lalla Rahman Kabir, chairperson, MCCI-CII JEC and Samson H Chowdhury, president of Metropolitan Chamber of Commerce and Industry, (MCCI), Dhaka and N Kumar, president of Confederation of Indian Industry (CII) and Tarun Das, DG, CII, at South Block in New Delhi, India, Wednesday, says a press release.

The delegation was warmly received by the Indian Prime Minister. The delegation discussed with the Prime Minister the outcomes of the deliberations of the MCCI-CII JEC meetings covering different issues, to promote economic relations between the two countries.

The Indian Prime Minister appreciated the need for mutual attention to and resolution of the issues the MCCI-CII JEC were deliberating on to further enhance the bilateral economic relations.

The issues raised in the meeting included:

Reduction of 40 per cent local value addition requirements for concessionary tariff under the Second Tariff Agree-

ment under SAPTA; the difficulties with regard to transport and communications; integrated and cohesive approach to development of Bangladesh and the Eastern and North-Eastern states of India, freeing border trade between Bangladesh and India, financing incentives for Indian industrial investments in Bangladesh, focusing on bilateral investments on priority sectors like power, agro-industries and textiles; transfer of Indian soft technologies like management training, manufacturing practices, production engineering, software training, quality management etc., to Bangladesh; and MCCI-CII close collaboration and cooperation to further strengthen Indo-Bangladesh trade, industrial and investment cooperation.

Money raised for PM's relief fund

Bangladesh stall at the Asian Ladies Charity Bazar has raised Taka 1,03,075 through sale of largely Bangladeshi handicrafts and potteries, says a press release.

These materials were flown to Tokyo for the charity bazar through the courtesy of Bangladesh Biman. The proceeds will go to the Prime Minister's Relief Fund for the cyclone-affected people.

Iraq exports full \$ 26 oil as per deal with UN

BAGHDAD, May 31: Iraq said Friday it has exported its full allotment of two billion dollars in oil as part of an oil-for-food programme that is an exemption from the sweeping UN economic embargo against Baghdad, says AFP.

The six-month deal expires in early June but the United Nations is expected to renew the agreement, which is aimed at alleviating civilian suffering caused by the sanctions.

Iraq has sold 120 million barrels of oil for 2.14 billion dollars since the deal began in December, Oil Minister Amer Mohammed Rashid said. The extra 140 million dollars were used to maintain oil pipelines.

The exports involved 51 contracts with international companies, Rashid said.

Iraq exported 54 million barrels of oil in the first three months of the deal and another 66 million barrels in the second half, Rashid said.

The UN sanctions were imposed after Iraq's 1990 invasion of Kuwait and include a ban on oil exports and a freeze on overseas assets.

Iraq has asked the United Nations to renew the oil deal and double the amount of oil that it can sell. The United States is expected to oppose any increase in oil sales.

Canadian envoy says Many cos now eager to invest in Bangladesh

Canadian High Commissioner in Dhaka Nicholas H R Etheridge said there is a bright scope to expand Bangladesh export trade with his country.

There is also a scope for further Canadian assistance particularly in railway, rural electrification and water resources sectors.

In an interview with the BSS Etheridge Friday said that the Canadian cooperation with Bangladesh would continue in the fields of population control, health services, micro-credit facilities and socio-economic uplift of the rural people.

Etheridge referred to 1.75 million dollar trade balance in favour of Bangladesh with his country and said that Bangladesh which produces finest quality ceramic materials, hydes and skins and footwear, readymade garments and handicrafts could further expand its market in Canada.

Etheridge said that everyday a good number of Canadian companies are contacting his office asking information about trade and commercial links with Bangladesh. He said, there is possibility of large-scale Canadian investment in Bangladesh.

Poverty alleviation, social justice and respect for fundamental human rights are the cardinal principles to get aid and assistance from his country.

Fortunately these are the principles and policies the present government in Bangladesh is practising.

The Canadian High Commissioner appreciated the privatisation policy of the government and said that Bangladesh has a strong private sector now capable of giving a great thrust to its economy.

Etheridge said his country encourages programme for poverty alleviation everywhere, as such it would support government programmes as well as the programmes of the NGOs for these endeavours. He par-

ticularly mentioned about the programmes of national NGOs like Proshika, Bangladesh Rural Advancement Committee (BRAC) and Grameen Bank which are engaged to change the lot of the poor. The Canadian International Development Agency (CIDA) has been working with these organisations, he added.

In reply to a question Etheridge expressed his optimism over the institutionalisation of democracy in the country. He said that in 1996 the country held one of the finest elections under a neutral caretaker government which were lauded by the international community.

French trade surplus falls in March

PARIS, May 31: France's trade surplus barreled along in March toward an annual record, though at a slightly lower rate, the Finance Ministry said Thursday, reports AP.

The country's overall trade surplus totalled 9.82 billion francs (1.72 billion dollars) in March, down from 11.35 billion francs (1.99 billion dollars) in February, the ministry said.

Exports recorded a rise of 0.6 per cent while imports increased by only 2.0 per cent, officials said.

France's economic growth this year is expected to be fuelled almost entirely by strong exports. France in 1996 had a record surplus of 120 billion francs (21.05 billion dollars), and expects a surplus of up to 150 billion francs (26.31 billion dollars) this year.

In March, France sold nine Airbus planes worth a total of 4.24 billion francs (740 million dollars) compared with the sale of seven planes in February worth 3.73 billion francs (650 million dollars).

WB to invest \$200m in aerospace jt venture

WASHINGTON, May 31: The World Bank will invest 200 million dollars in an international joint venture to build a satellite-launching platform in the Pacific ocean, bank officials said, reports AP.

The two "partial risk guarantees" of 100 million dollars each go to Sea Launch Limited Partnership, a consortium of US, Norwegian, Russian and Ukrainian firms, to cover political risks associated with investment in Russia and Ukraine, the World Bank said yesterday in a press release.

"Sea Launch exemplifies a new, ground-breaking era in industrial cooperation in which former Cold War enemies are now working together in a non-military context to place commercial satellites into orbit," said bank Vice President Johannes Linn in the release.

Linn said the bank's investments will enable Russia and Ukraine to develop their respective aerospace industries and create jobs while demonstrating to potential new partners they can be "reliable international business partners."

The US Boeing Commercial Space Company owns Sea Launch's largest share at 40 per cent, followed by Russia's RSC Energia at 25 per cent, Norway's Kvaerner at 20 per cent and Ukraine's Yuzhnoye at 15 per cent.

Under the project's financing, Sea Launch will borrow up to 200 million dollars for 10 years from a consortium of 14 multi-national banks to help the Ukrainian and Russian companies design launch vehicles, make equipment and systems, and test the launch vehicles.

The project will launch commercial satellites from a converted oil platform in remote international waters about 1,600 kms South of Hawaii, the release said.

The first satellites are due to be launched in mid-1998 from the platform's control system in long beach, California.

Mazda earnings slump

TOKYO, May 31: Mazda Motor Corp said Friday that a slump in its US operations left it with a widening group loss for the fiscal year ending in March, reports AP.

The Japanese automaker, owned 33.4 per cent by Ford Motor Co, posted a loss of 17.55 billion yen (151.29 million dollars) for the year. A year earlier, it had an 11.88 billion yen (102.41 million dollars) loss.

Sales were up 2.8 per cent to 1.89 trillion yen (16.29 billion dollars).

EU bourses to switch trading into euro Jan 4, '99

AMSTERDAM, May 31: Stock exchanges in the first wave of countries to adopt the single European currency will switch trading and settlement into the euro currency on January 4, 1999, the Federation of European Stock Exchanges said, reports Reuters.

This was one of the main conclusions reached by the 17-member federation at its annual meeting on Thursday and Friday, the central theme of which was the impact of the Euro on financial markets within the European Union (EU).

The Federation of 17 exchanges also recommended that listed companies not change the nominal, or par, value of their shares before converting into euros and cents.

Among its other recommendations, the federation said outstanding government debt should be redenominated where feasible at acceptable cost and new issues should contain specific provisions for redenomination in Euros.

This would maximise liquidity in government debt markets.

It said outstanding corporate bonds did not have to be redenominated in the new single currency unless specifically provided for in the terms of issue.

But if they were, the nominal value of each holding should be expressed in Euros and cents, with the minimum deliverable and tradeable quantity set at one cent.

The federation said settlement between banks, brokers and clearing houses would be in Euros from January 1999 with investors deciding whether to deal through their intermediary in Euros or use national currencies.

The Euro is being introduced in qualifying countries from 1999 for large commercial transactions and 2002 for all remaining transactions.

US, NZ reach 'open skies' agreement

WASHINGTON, May 31: The United States and New Zealand have reached an "open skies" agreement to permit unrestricted air services between the two countries, the US Department of Transportation said Friday, reports Reuters.

It said in a statement the pact offered US scheduled and charter cargo carriers benefits extending liberalisation beyond the standard open skies provisions by allowing US airlines to fly cargo from New Zealand on to third countries.

In the past year, the US has signed accords with Taiwan, Singapore and Brunei in a push to open Asian airline markets, and talks are underway with Malaysia and Korea, it said.

The US signed similar agreements this month with six Central American countries, adding to 12 existing accords with European nations, the department said.

Jordan begins to receive water from Israel

AMMAN, May 31: Israel started pumping a daily 72,000 cubic metres of water to Jordan on Tuesday, ending the water dispute between the two countries, reports Xinhua.

The start of water pumping is only a fraction of what Jordan has achieved in the peace process, said King Hussein of Jordan while addressing a ceremony celebrating the event in the town of Adasiyah near the Jordan Valley.

The water dispute between the two countries reputed early this month after Israel's failure to implement the water article in the Jordanian-Israeli peace treaty signed in 1994, which stipulates the Jordan shall obtain 150 million cubic metres of water from Israel to cover Jordan's urgent needs.

After a meeting between King Hussein and Israeli Prime Minister Benjamin Netanyahu on May 8, Israel agreed to pump 30 million cubic metres of water from the Tiberians Lake to the King Abdullah Canal according to the peace treaty.

Some 20 million cubic metres will come to Jordan during this summer and the rest will be pumped in winter, said Jordan's Minister of Water and Irrigation Munther Haddadin.

Both sides will also work together to develop a water desalination project in order to supply Jordan with larger amounts of water, Haddadin said.

Israel promised to pay half of the total cost of the desalination project estimated at about 353 million US dollars, the minister added.

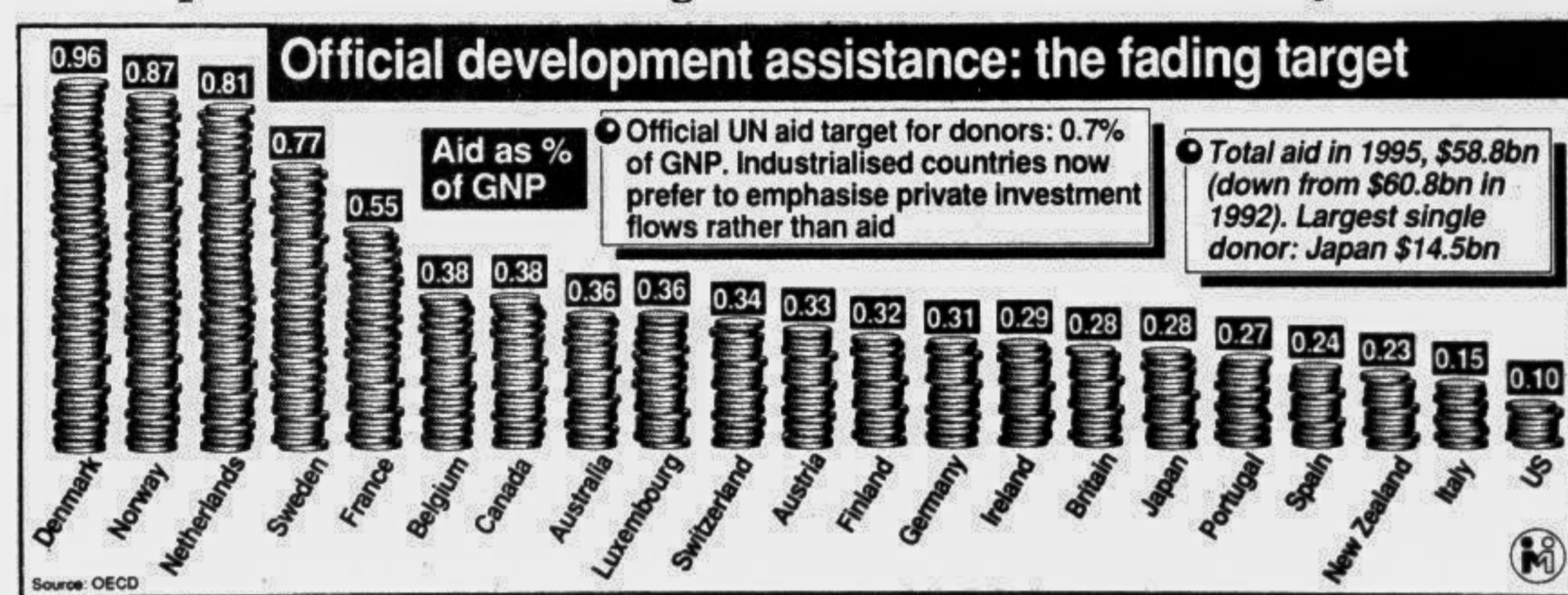
In Jordan, the annual consumption of water per capita is no more than one-fourth of the international water-poor countries line.

The kingdom has been sharing most of its surface water resources with neighbouring countries, whose control nevertheless deprives Jordan of its fair share.

Canada reducing development assistance budget

Clyde Sanger writes from Ottawa

Canada had a good reputation for overseas aid. But, as Gemini News Service reports, government cutbacks are reducing the development assistance budget to its lowest level for 30 years.



budget the "imputed cost" of subsidising foreign students at Canadian universities, and then the first-year cost of settling refugees in Canada which rose steeply with the fighting in Somalia. These helped to keep Canada's ratio of official development assistance to its gross national product at 0.46 per cent in 1992, still way short of the United Nations-agreed target of 0.7 per cent, which Nordic-nation donors surpass.

That was the peak. By the 1999 budget, Canada's ratio will have sunk to 0.25 per cent — its

lowest level in 30 years. Development aid will have been cut by about 36 per cent in real terms, when figures are adjusted for inflation.

Meanwhile, the pressures on the Envelope grow. Membership of the Group of Seven industrialised countries has brought demands for help, for example, with reconstruction in Bosnia.

Then, in its fervour for reducing the budget deficit, the federal government has eliminated any reserve funds, which had been used (among other things) for

paying Canada's share of global conferences such as the 1992 Earth Summit. So other government departments now turn to CIDA, point to its two billion dollar budget and say: "You can afford to cover our costs at the [1995] Women's Conference in Beijing, and at Habitat in Istanbul [in 1996] CIDA ends up paying for them and for part of the costs of Radio Canada International."

The biggest pressure on the Envelope, however, comes from old promises. Canada has always been a firm supporter of

the World Bank and the regional development banks. This is because it decided that as a medium-sized country without former colonies, it could best increase its international influence by being an active member of multilateral institutions. It also approved of the way the regional development banks were controlled by countries in Asia, Latin America and Africa.

This meant making generous commitments to replenish the "soft loan" funds of the banks. In return, Canada is the only country with a seat on the executive board of every bank — one more than the United States, which is not a member of the Caribbean Bank — and is the voice for a Nordic group in Asia and for Commonwealth Caribbean countries at the World Bank.

These commitments are like writing open-ended cheques — they are not cashed until needed in later years. In these times of a drastically-reduced aid budget, Canada is cutting heavily back on commitments, but old cheques from more generous times are falling due. Next year these encashments may take up about 30 per cent of the Envelope.

CIDA officials try to balance their figures by talking to foreign-affairs colleagues about a strategy to "graduate" the more prosperous developing coun-

tries, such as Thailand and Malaysia, out of the aid budget, while keeping good political and trade links with them. So far, Canada has not followed Britain's lead in sharply reducing its list of "core programme" countries. It is a slow-motion exercise.

Meanwhile, ministers and ambassadors press new peace-building initiatives onto CIDA's lap. In March, the Minister for International Cooperation, Don Boudria, turned up in Bamako to announce a 2.5 million Canadian dollar programme to feed and help demobilise ex-combatants in northern Mali, and then went on to Kigali to announce a 16.5 million dollar Canadian grant to build 15,000 houses for refugees who have recently returned to Rwanda. In both places, he called the grants "efforts to establish a lasting peace."

Back in Ottawa, nobody quarrelled with these decisions, or the motives behind them. But the combination of these new moves stretches the Envelope to its limits. — Gemini News

Exchange rate: \$1 = C\$1.4
Clyde Sanger has worked as a journalist in Africa, Britain and at the UN. He recently retired as director of communications at the North South Institute, an independent economic research establishment in Ottawa.