



## Policy spoils gold prospects

By Govinda Shil

Bangladesh lost export orders for more than 150 kg of gold jewellery during the last two years because of a cumbersome gold procurement and export policy despite recognition of it by the government as a potential foreign exchange earner in 1995, jewellers said.

"What we have now is not a pragmatic policy at all," Aftab Ahmed Khan, owner of the city's Guinea Exchange Jewellers said.

There is a policy under which an exporter needs to open a back-to-back Letter of Credit to import certain amount of gold. But you cannot import gold by simply opening an LC, because of frequent fluctuations in gold prices in the international market. After importing gold, the value of the LC may fall when you have finished making the jewellery."

Aftab said. He added that he had to cancel orders for 25 kg of jewellery since 1995 due to lack of gold.

According to EPB sources export orders for about 100 kg gold jewellery had been lying with them without any takers.

Aftab complained that despite arrangements by EPB for him to participate in international trade fairs customs prevented him exporting 3 kg of jewellery because he procured the gold from local market. But they are also hopeless before the customs officials who really barred Aftab from exporting 3 kg ornaments last year. "Because," said Aftab, "I procured the gold from local sources and wanted to replace it from international gold market."

The National Board of Revenue does not allow manufacturers to procure gold from lo-

cal market except from Bangladesh Bank. But the central bank, the jewellers alleged did not have gold to supply them.

It is learnt that banks are not allowed to import gold or give an exporter the amount he requires from its reserve, a general practice in India, Pakistan and other jewellery exporting countries. The exporters replace the gold from international market and movement of gold is monitored by customs authorities in the respective countries.

"We suggested the government allow the banks to import gold but keep a vigilance on the movement on the precious metal," Aftab said.

EPB sources said they are going to discuss today about selection of interested jewellery manufacturers to participate in

the international trading.

Faisal Ahmed Chowdhury, Vice Chairman of EBP told the Star yesterday that he favoured liberalisation of gold import to explore the export market.

He acknowledged the complications and often lengthy process in procurement of gold under the current policy and suggested liberalising it to help the exporters.

"I am ready to talk to customs officials about the problem and I urge the manufacturers to come to me with their problems," Chowdhury said.

Chowdhury said supervised bond is difficult since gold smiths work at different places and at different times. "So I suggest the manufacturers to furnish bank guarantees against their exports and I will convince the customs," he added.

the 'Abu Dhabi Arab Jewellery Fair 1997'. But they have no idea how the manufacturer would procure the gold.

"EPB attended many trade fairs so far," said another jeweller. "But it did nothing for export of a single gram of gold ornaments," the jeweller preferring anonymity said.

Small manufacturers look at the issue in a different way. Since they do not have enough money to procure gold from Bangladesh Bank, they are suggesting for extending financial supports to them.

"We cannot buy 10 kg of gold, which is a medium level order, by paying cash money," said Bablu Ditta Milton of Lily Jewellers. He said if there is access to information about jewellery exports and enough money to procure gold, there will be many jewellers to enter



A SUITABLE AWARD: The crest calling him "Business Executive of the Year" being handed to HR Khan by Forrest E Cookson.

### Jute plants being used as fuel

MEHERPUR, Aug 30: A large number of farmers of the district are using jute plants as fuel as they are not in a position to jute stacks for want of adequate watery areas and for low price of the fibre.

Jute is now being sold in the market at price below the production cost. At present jute is being sold at Taka 160 to 180 per maund in the local markets.

### Jute cultivation in Mymensingh higher

MYMENSINGH, Aug 30: The jute cultivation in the five districts of greater Mymensingh this year is much more than that of the last year, says BSS.

According to Agriculture Extension Department, a total of 72689 hectares were brought under cultivation of jute in 1997 while 59752 hectares were cultivated in the year 1996.

The district-wise cultivation of jute in the current year are: Mymensingh — 17369 hectares, Jamalpur — 19460 hectares, Sherpur — 8010 hectares, Netrokona — 12250 hectares and Kishoreganj — 15600 hectares.

The production of jute in the greater Mymensingh is also very satisfactory this year.

### Bank staff returns to work in India

NEW DELHI, Aug 30: Two days after a crippling strike, staff of government-owned banks returned to work Saturday to face long lines of irritated customers, reports AP.

The strike was called by dozens of unions to protest hiring curbs and the rapid growth of non-banking finance companies that are now competing with government-owned banks. The government did not react to the demands of hundreds of thousands of striking workers.

On Saturday, long lines formed outside banks even before they opened. With most banks working restricted hours Saturday, people were eager to complete their transactions early.

Strikes by bank staff have become increasingly frequent in India, where successive governments fear the collective strength of the trade unions.

India's most popular cartoonist, R. K. Laxman, highlighted this problem in a front-page spoof in The Times of India newspaper. The cartoon showed a man standing in front of a cupboard crammed with money calmly telling police who had raided his house looking for unaccounted wealth: "All white. You may check. I don't use the banking facility because they are all the time on strike or on holiday."

### Labels completes one year of operation

Labels for Less Limited, a sister concern of Utah Group, working as UPDL Bangladesh and overseas subsidiary of FG Monart USA, has celebrated the successful completion of its first year of operation, says a press release.

UPDL is nominated to supply RMG accessories for World's leading Apparel buyers — Walmart, Wrangler, Hudson Bay, Kmart, Fred Atkins, Bonton etc.

To mark the occasion the company organised a function at Hotel Sonargang Saturday to inform its Customers about the range of services offered to them and also to thank them for their continuous support and cooperation.

## Malaysia's economic growth eases to 8.4 pc

KUALA LUMPUR, Aug 30: Malaysia's economic growth eased to 8.4 per cent in the three months to June from 8.5 per cent in the previous quarter, Bank Negara announced yesterday, reports AFP.

Growth in the second quarter was sustained at the same level as the corresponding period last year, supported by continued expansion in the manufacturing, construction, services and agriculture sectors, it said.

Growth in the first quarter had been revised higher to 8.5 per cent from 8.2 per cent due to an upward revision in the production of manufacturing goods, the central bank said in a statement.

A turnaround in the mining sector to an increase of 1.3 per cent following higher production of natural gas also attributed to the growth, it said.

Analysts said economic growth data still looked strong and in line with the government's projection of 7.8-8.2 per cent for 1997 but a slowdown is expected for the second half of the year.

### Consumer spending surges in US

WASHINGTON, Aug 30: US consumer spending shot up 0.8 per cent in July, the biggest jump in six months as Americans returned to the shopping mall after a spring lull, reports AP.

Friday's Commerce Department report also showed personal income growth failed to keep up with spending, rising just 0.1 per cent, the smallest gain since last October. That could mean the July spending pace won't be sustained.

The report was closely examined by economists and the financial markets, already spooked by signs the economy may be growing too fast to avoid a fresh bout of inflation.

Consumer spending represents two-thirds of the United States' economic activity. Many analysts had expected a 0.6 per cent advance in spending and a 0.3 per cent increase in incomes.

The government reported Thursday that the economy grew at a 3.6 per cent annual rate from April through June. That included a one per cent increase in consumer spending, well below the 5.2 per cent pace during the January-March

ated slightly to 12 per cent and 8.1 per cent, respectively.

On the demand side, Bank Negara said private consumption indicators showed a mixed performance while private investment remained strong.

Sales of passenger cars slowed down to 9.8 per cent in the preceding quarter while imports of consumption goods logged a stronger annual growth of 9.4 per cent from 6.5 per cent earlier.

### Minister off to Manila to attend ADB seminar

State Minister for Planning, Civil Aviation and Tourism Dr Muhiuddin Khan Alamgir left here for Manila to attend the Emerging Asia Seminar of the Asian Development Bank (ADB) yesterday, reports UNB.

The two-day long seminar will be held in Manila at the Headquarters of the Asian Development Bank on Monday.

The purpose of the Emerging Asia Seminar is to stimulate practical policy discussion within the region about the main findings of the ADB's recently published study of Emerging Asia.

Dr Khan will chair the session on "Prospect for Growth in the Asian Region: The Policy Agenda" scheduled to be held on Monday.

The seminar will be participated by policy-makers, policy analysts, academics and private sector personnel from a broad range of developing member countries as well as from outside the region, international organisations and media, said a PID handout.

### Turkish govt okays deal with Israel to ease customs procedures

ANKARA, Aug 30: The government on Tuesday ratified a deal with Israel aiming to ease procedures at customs, reports AP.

The agreement, intended to increase trade relations between the two countries, was signed last December in Jerusalem.

Turkey and Israel hope to quadruple trade to two billion dollars by 2000.

Relations between Turkey and Israel have rapidly improved since the signing of a defence pact early last year.

### Islami Bank chairman reelected

Commodore Mohammad Ataur Rahman (Retd) has been reelected chairman of the Board of Directors of Islami Bank Bangladesh Limited, says a press release.

The election was held at the meeting of the Board of Directors of the Bank on Thursday with Prof Korkut Ozal, representative of Islamic Development Bank (IDB), in the chair.

Mohammad Younus and Yousif Abdullah al-Rajhi, representatives of Al-Rajhi Company for Industry & Trade, Saudi Arabia, have also been reelected vice-chairmen of the bank.

An Executive Committee was reconstituted under the chairmanship of Mir Quasem Ali, representative of Bangladesh Islamic Centre.



A meeting of the Board of Directors of Islami Bank Bangladesh Limited held on Thursday

## Arabs need to gear up reforms

ABU DHABI, Aug 30: Arab states need to press ahead with economic reforms to tackle unemployment and improve living standards after years of stagnation by several members, according to their economic watchdog, reports AFP.

In its latest study on regional economies obtained on Friday, the Arab Monetary Fund (AMF) said most of the Arab League's 22 members had achieved satisfactory results from reforms in some sectors.

"But it is noticed that they have not realised the aspired goals of the reforms," the Arab League's main financial institution said.

Economic growth rates have remained relatively low compared to high population growth, the per capita income in the Arab countries remained a deterioration in unemployment in some members.

The Abu Dhabi-based fund said most regional states were also still reeling under heavy

debt, which is putting pressure on their balances of payments.

It said tackling those balances and liberalising fiscal policies could only be achieved through a "sustainable economic growth."

"Most Arab countries are striving to tackle all those issues through the reform programmes but the results are still generally lagging behind the aspired levels despite progress in some sectors," it said.

"This should prompt member states to push ahead with the efforts to restructure their economies with the help of the AMF and other institutions."

Several Arab nations have reported better economic performance from reform programmes but long-standing problems such as unemployment, foreign debt, balance of payment deficits and modest increases in incomes have persisted.

The reforms were spurred by

chronic economic woes, low oil prices and demands for economic restructuring by the International Monetary Fund.

But such plans in some members have come under fire by local officials and businessmen on the grounds they are slow and limited.

In the Gulf, most government have announced plans to reform their oil-reliant economies but such programmes have only been partially implemented. Experts attribute this to a recovery in oil prices in the past two years.

The Arabs' main economic problems include the accumulation of foreign debt, which is estimated at more than 150 billion dollars, excluding military debt.

Most members are also suffering from high unemployment because of low growth rates. Such modest growth has also stifled improvement in the living standards as it is outpaced by the population growth

### AmCham honours Monno

By M Shamsur Rahman

Harunur Rashid Khan Monno has been honoured. The American Chamber of Commerce in Bangladesh has chosen him for the "Business Executive of the Year", an award it has just introduced.

For the man who founded the flagship that made Monno a household name in Bangladesh and brought him the international reputation, it was only a recognition he so rightly deserved.

The president of the Chamber put it perfectly at an impressive ceremony at the Monno factory site in Dhamrai. "This is the first time what will be an annual award of the AmCham and it is fitting that it should be to a man who has built such a fine industry."

"The doubters of the efficiency of the private sector, who often express the view that there is no entrepreneurial capacity in this nation, need look no further than Monno's activities to see a convincing counterexample", Forrest Cookson said.

The Chairman of the Monno Group, whose flagship is internationally reputed as the manufacturer of high quality porcelain tableware, accepted the glory with a touch of glamour.

"I am really happy. It's a rare honour," he told an audience, with his characteristic humility, that was made up of his own workforce and business elite from the capital. Monno dedicated it to the workers, employees and officers "without whose hardwork I wouldn't be able to be what I am today".

Now ranked as the world's 10th largest tableware producer and South Asia's numero uno, with a capacity of over 20 mil-

### Aussie economy picking up

SYDNEY, Aug 30: Australian Treasurer Peter Costello Sunday said he was confident the country's economic growth was gathering pace, reports AFP.

"I am confident that growth is picking up and we want to see growth at four per cent plus in this country," Costello said in a television interview.

"As growth picks up, and it's strengthening through 1997-98, this economy will be able to sustain a growth rate which it couldn't three, four, five, six, seven years ago," he added.

The Australian economy defied five consecutive interest rate cuts to grow by just 0.9 per cent in the March quarter, for an annual rate of 2.4 per cent — the lowest since the June quarter of 1992.

Strong economic growth of about 4.0 per cent is widely considered to be critical for any chance of budging the jobless rate, which came in at 8.7 per cent in July.

Economists have said it is now a case of waiting for the effect of the interest rate cuts — which brought the official cash rate to five per cent — to kick in.

Costello said a forecast budget surplus for the financial year to June 1998 would help sustain economic growth here.

"We are within sight of our goal, by next year we will be in surplus," he said.

The treasurer added there had been a structural shift to sustainable low inflation in the domestic economy, where previously rising growth had always resulted in higher interest rates.

Australian consumer prices fell for the first time in five years in the June quarter, leading to an annual inflation rate of 0.3 per cent.

"We have now got inflation under control, we have got five cuts in official interest rates, we have got a Commonwealth government forecasting a move into surplus by next year and we have got a sustainable growth outlook," he said.

"That's what this country needs — sustained long term strong growth," he said.

## Coming AGMs

Company	Boat Change	AGM/EGM	Date	Venue & Time	Dividend Proposed
BIC	04/09/97-04/09/97	AGM	04/09/97	Estimote Garden, 12 noon	24
BO Luggage (Dab)	04/09/97-04/09/97	AGM	04/09/97	Estimote Garden, 12 noon	185
Lanco Ltd	21/09/97-10/09/97	AGM	10/09/97	Prianta Community Centre, Dharmadi 11 am	18
Int ICB MF	22/09/97-31/09/97	AGM	31/09/97	Hotel Sonargang, 3.30 pm	70
Best Kitting	19/09/97-02/09/97	AGM	02/09/97	Hotel Sonargang, 10.30 am	15
Best Inflation	DO	DO	DO	10.30 am	25
Best Spa (Dab)	18/09/97-31/09/97	AGM	31/09/97	Hotel Sonargang, 10.30 am	25 18.5
Pedana Tea	27/09/97-07/09/97	AGM	07/09/97	Hotel Sonargang, 10.30 am	20
B diamonds	27/09/97-04/09/97	AGM	DO	DO	20
B Synthetic	DO	AGM	DO	3.30 PM	20
B Thai Au	05/09/97-18/09/97	AGM	18/09/97	BICC Auditorium, 11.30 am	18
Best Tea	27/09/97-07/09/97	AGM	07/09/97	Hotel Sonargang, 3.30	—
Apar Footwear	25/09/97-15/09/97	AGM	15/09/97	Factory Premises, Gazipur, 12 noon	—
Pineta Ltd	09/09/97-15/09/97	AGM	—	—	—
Dynamic Text	25/09/97-07/09/97	AGM	07/09/97	Factory site, Vaidia, 11.00 am	15 18.5
Queen Dry	22/09/97-07/09/97	AGM	07/09/97	Factory Premises, Tangail, 12.30 pm	15 18.5
Do	DO	EGM	DO	DO	12.00 noon
Olympic Ind	—	EGM	—	Factory Premises, Narayanganj	—

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