

ADB to finance India's low-income housing project

MANILA, Sept 26: India will receive a total of 300 million dollars for a project that finance low-income housing, the Asian Development Bank (ADB) announced Thursday, says AFP.

"Most critical" to the project's three main components is increasing access of the poor to housing finance, the ADB said.

The poor, lacking collateral, obtain a credit through an unregulated system and pay interest rates of up to five per cent a month, it said.

An estimated two million poor Indians are to benefit from the project.

The financing project also hopes to provide microcredit for slum dwellers for livelihood and home upgrading, as well as to expand new private housing finance firms to extend loans to the poor.

The ADB is financing 26 per cent of the total project cost of 1.15 billion dollars.

Dollar higher against yen in Tokyo

TOKYO, Sept 26: The US dollar was higher against the yen in early trading Friday, reports AP.

The dollar was traded at 120.99 yen, up 0.21 yen from late in Tokyo on Thursday and also above its late New York level of 120.88 yen overnight.

Traders said buying of German marks for yen contributed to the dollar's advance against the Japanese currency.

But continued worries about Japan's burgeoning trade surplus kept the dollar from rising higher, traders said.

The dollar rose Thursday, despite such fears, following a Japanese government report that showed Japan's trade surplus for September's first 10 days surged by 113.5 per cent from the same period last year to 205.15 billion yen (dls 1.71 billion).

70,000 Israeli govt employees go on strike

JERUSALEM, Sept 26: Israeli public services were severely disrupted yesterday when more than 70,000 state employees went on strike to protest government pension policies, union spokesmen said, reports AP.

The work stoppage was called by Israel's largest union federation, the Histadrut, which has threatened to launch an unlimited general strike on Sunday over the pension issue and government privatization plans.

Thursday action closed all public administration offices, hospital out-patient clinics and the national railway.

Histadrut Chairman Amir Peretz, who is also a member of Parliament for the opposition Labour Party, called on the government to quickly begin sincere negotiations on the pension issue "or by Sunday everything in this country will be paralyzed by an open-ended general strike."

Peretz also warned the government against reported plans to use soldiers to carry out key public services.

The Histadrut called the strike to protest three aspects of economic policy being followed by the right-wing government of Prime Minister Benjamin Netanyahu.

Hartal pushes share prices down

By Rafiq Hasan

The market indicators of Dhaka and Chittagong stock exchanges declined amid political agitation programmes which shortened the business week by two days.

Only three business sessions could be held at the bourses last week as the major opposition political party, BNP, enforced hartal on Monday and Thursday. During the period the indices of DSE and CSE fell by 34.32 and 22.70 points respectively.

The DSE authority had decided to keep the shutter open during hartal hours on Thursday, but trading did not take place due to lack of required number of brokers.

According to the rules, at least 25 per cent of total brokers and authorised dealers should be present to start business. However, the clearing house and other offices of the DSE were open during the hartal.

During the three-session week, DSE All Share Price Index fell by 34.32 points and closed at 1030.89 points on Wednesday. The market capitalisation of the bourse decreased by Tk 271.74 crore to Tk 8802.91 crore from Tk 9074.65 crore previous week.

Though the share prices of most issues witnessed a declining trend during the week, the volume of transaction did not suffer much thanks to the netting system of settlement introduced at the DSE and CSE on Tuesday. As many as 24.61 lakh shares and debentures valued at more than Tk 39.49 crore changed hands. The average number of traded shares and debentures increased to 8.20 lakh from previous week's 5.17 lakh. The average turnover in value also increased to Tk 13.16 crore from previous week's Tk 8.32 crore.

During the week, 66 issues gained and 81 suffered everyday while one issue remained unchanged.

The All Securities Price Index of Chittagong Stock Exchange went down to 421.10 points from previous week's 443.80 points registering a decline of 22.70 points over the week.

The CSE market capitalisation suffered a loss of Tk 422.47 crore and fell to Tk 6600.99 crore from previous week's Tk 7022.47 crore.

Market operators and stock-brokers had expected the mar-

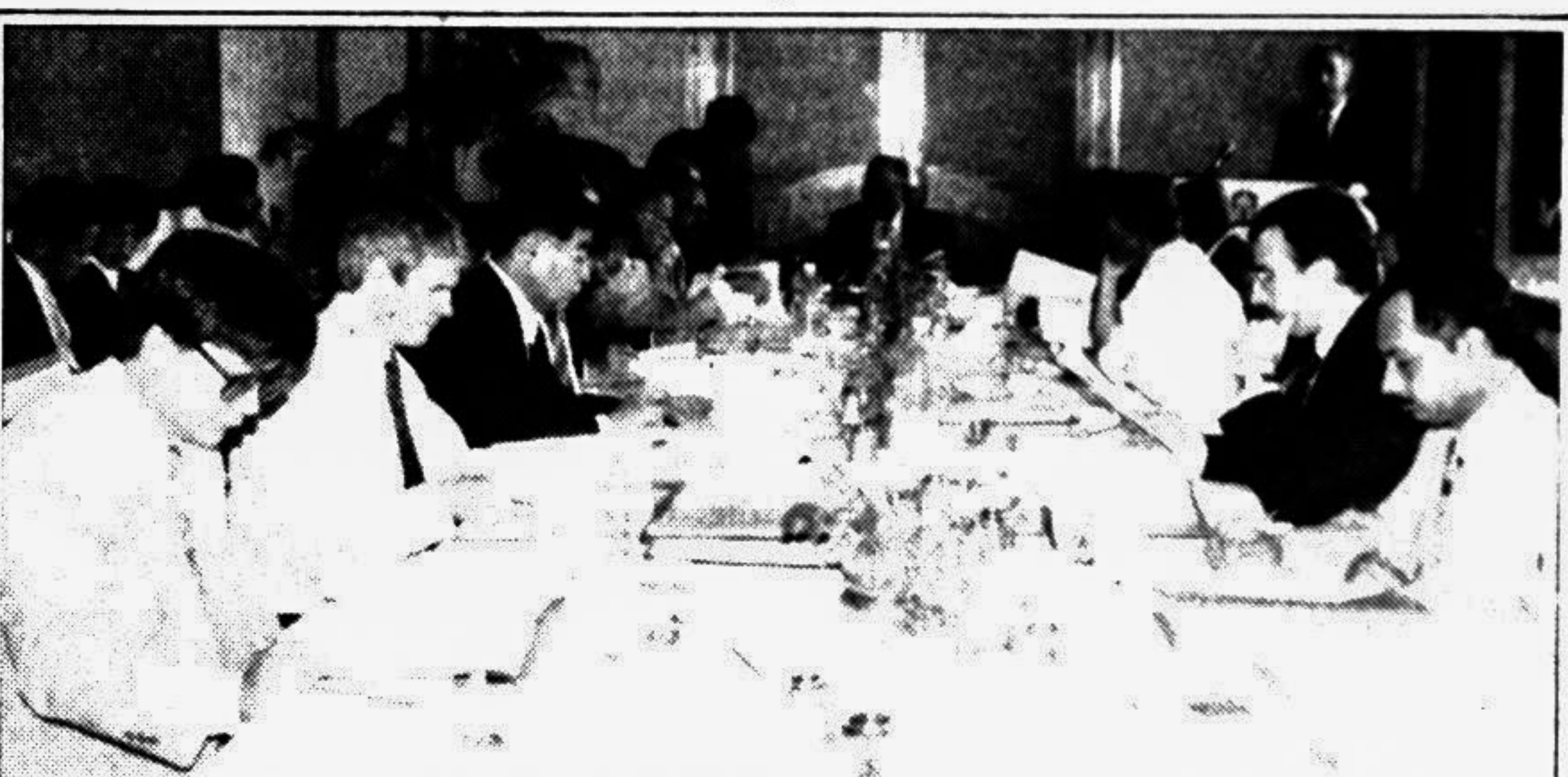
ket would improve with the introduction of a uniform system of trade settlement at both the exchanges but that could not be reflected due to unhealthy political situation.

The DSE and CSE price indices fell by 77 and 30 points respectively on Tuesday, the first day of netting system of trade settlement.

The authorities of DSE and CSE, however, did not agree with the view that the market was falling because of new system. They said the market reacted to the political situation and it had no relation with the new system.

The brokers and share traders were enthusiastic about the new development in the capital market and hoped that the prices would go up again. The increase in average volume and value of trading reflected that the investors were returning to the capital market again, said a member of DSE.

Another DSE member is, however, doubtful of the restoration of confidence of the investors in stock market as, according to him, the new system will help the brokers, not investors.



The industry secretary and Chairman of KAFCO, M Akhtar Ali, presides over the 67th board meeting of KAFCO and the 31st board meeting of KAFCO International Company Ltd at a city hotel on Thursday.

'Currency crisis temporary, but lesson for future'

HONG KONG, Sept 26: Southeast Asia's currency falls, and the forest fire ashes polluting the region's air are temporary crises, but it's important to remember to fight the causes when the dramas are over, World Bank President James D Wolfensohn said Thursday, reports AP.

"One thing the Bank is doing constantly now is taking on new initiatives, whether or not we're asked," Wolfensohn told reporters on the final day of the bank's annual meetings with the International Monetary Fund, central bank governors and finance ministers from 180 countries.

"We have a really tragic situation going on near us in this region," Wolfensohn said, referring to the thick air pollution covering parts of Indonesia, Malaysia, Singapore and Brunei, caused by the out-of-control burning of rain forests in Indonesia.

"We're ready to come in if money is necessary, but money

doesn't appear to be the problem," Wolfensohn said. Environmental crises, like currency crises, tend to grab headlines, then disappear from public memory, he said. "We're going to try to keep reminding them."

He said he had invited the leaders of the timber companies of the world to a meeting to discuss how to prevent such crises in the future.

In the same way, he said, although the Southeast Asian currency and stock market fluctuations were one focus of the three-day IMF-World Bank meetings, perhaps more important were the discussions with Mexico on the programs it continues to implement in the wake of its currency collapse in 1994.

In the Southeast Asian markets, "what we see at the moment is not a new trend. It's a temporary setback," Wolfensohn said. "We'll soon be back on the path of stability."

The Mexican crisis had affected markets from India to Poland. "People were saying, it's

the end of the world," Wolfensohn said. But in Hong Kong "good discussions were held with the Mexicans about continuing the programmes that have brought stability to Mexico and the region."

Thailand, where the Southeast Asia market tumble began this summer, received a large IMF-sponsored bailout loan in July, much like Mexico did to bail it out of its crisis.

Wolfensohn said the successes of the IMF-World Bank meetings were the discussions on poverty and support from all the ministers of the banks in intention to ensure that its development aid projects are free of corruption.

"The task of managing corruption is the task of the governments," he said. "The Bank is not a world government." He said that when governments indicate they are interested in transparency and openness, the Bank will be helpful. "When they are not, we will continue to ask questions," he said.

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World fish production rises

Star Business Report

World fish production has increased by 2.9 million tons in 1996.

This has been stated in a preliminary report released by UN Food and Agriculture Organisation in Rome on Wednesday.

According to FAO, the 1996 world fishery production reached 115.9 million tons, an increase over the 113 million tons in 1995, which reflects the increase of China's production.

"China continued to be the major world fish producer," the UN agency said, with a catch of 27.3 million tons in 1996, more than 50 per cent of which comes from the expanding inland aquaculture industry. In 1995, China's catch was 24.4 million tons.

Other important world fish producers, says FAO, were Peru, with 9.6 million tons of fish (up from 8.9 in 1995); Chile, with 6.9 million tons (down from 7.6); Japan, with 6.6 (down from 6.8); the United States with 5.9 (up from 4.9); Indonesia, with 4.2 (up from 4.1); and the Russian Federation, with 4.6 (up from 4.4); all of the other countries contributed a global 45.6 million tons.

World shrimp production in 1996 was some three million tons, but "farmed shrimp production declined due to disease problems," FAO said, indicating that forecasts for the first half of 1997 are for lower production, as main shrimp culturing countries continue to battle with disease-related problems.

In 1996, according to FAO, in the Asian region, Thailand maintained its place as world top farmed shrimp producer, though it declined to 210,000 tons from the 259,000 of 1995. China and India maintained production levels of around 80,000 and 70,000 tons respectively.

In Indonesia and Vietnam, farms were hit by disease. Bangladesh was spared and produced some 35,000 tons of shrimp.

In the Latin American region, the main producer was Ecuador, with an output of 120,000 tons out of a regional total yield of 200,000 tons. Overall, the Latin American region produced 10 per cent more farmed shrimp in 1996 than in 1995.

"1996 was characterized by an over-supply of cold-water shrimp *Pandalus borealis*," says the Food and Agriculture Organization. "This was mainly due to increased catches by Icelandic trawlers in the Flemish Cap, and as a result, prices of cold water shrimp fell sharply during the course of the year, and by December 1996, were 23 per cent lower than at the same time a year earlier. Prices continued to fall in the opening months of 1997."

The Icelandic shrimp catch reached a record in 1996, when 89,000 tons were landed, up from 83,600 tons of 1995, but the catch is expected to decline in 1997 as the Icelandic Minister of Fisheries has set a lower shrimp quota.

On the trade side, the overall shortage in shrimp supplies resulted in lower imports from Japan and the United States. Rising demand from the United States, favored by the high value of the dollar, could not be met, and US imports decreased for the second year in a row to 264,000 tons — three per cent less than in 1995, 8 per cent less than in 1994, notes FAO.

The United Kingdom and France reported higher shrimp imports in 1996. For the UK the increase in imports was a substantial 12 per cent, FAO said, adding that "this expansion came exclusively from a 30 per

cent increase in cooked and peeled cold-water shrimp imports from Iceland." The result was an oversupply of cooked and peeled cold-water shrimp which the market has not been able to absorb and it is foreseen that the coming months will see some declines in price levels for cold-water shrimp.

Shrimp production was low in the first half of 1997, FAO experts noted, with disease problems continuing to affect supplies in the main shrimp culturing countries with the likelihood that in some countries legislation might limit shrimp culture in the coming months.

As to world tuna fisheries, "recent surveys of the world tuna fisheries show that in many areas the resource is close to fully fished, or even over-fished."

In the Indian Ocean, where tuna was abundant in the eighties, fish catches hardly contain big yellowfin tuna anymore, and interested countries are starting to take measures. The only area where tuna resources seem to be healthy is in the Western Pacific, where skipjack catch is still available.

"The catch of groundfish species has been halved in just ten years, and almost all groundfish stocks seem to be heavily fished or overfished. The 1996 world market of groundfish was characterized by a strong influx of Russian Alaska pollack at low price."

On European fisheries, FAO noted that with the liberalisation of the eastern European countries, seafood trade with eastern Europe has expanded rapidly, and that the Russian Federation and Poland have become important markets for frozen small pelagics such as herring and mackerel.

Hotels observe World Tourism Day today

Star Business Report

Sonargaon Hotel and Dhaka Sheraton will celebrate the World Tourism Day today.

Sonargaon Hotel has arranged a *parjatan mela* on the occasion. It is open to all, said a press release.

The hotel has chalked out an elaborate programme to mark the occasion.

Dhaka Sheraton has also taken up an elaborate programme to observe the day in a befitting manner, another release said.

The highlights of the day include preparation of a wide range of traditional pithas, live Bangladesh music, fortune telling by parrot and bangle show.

Euro stocks unsteady

LONDON, Sept 26: Share prices in Europe were unsteady on Thursday, slipping here and in Paris but advancing in Frankfurt, says AFP.

The London Footsie 100 index fell by 12.9 points or by 0.25 per cent.

On the bond market, gilt-edged stocks were generally firm.

Sluggishness on wall street weighed on the market here where opinion remained divided on the outlook for a rate increase by the end of the year.

Company results announced during the day were considered disappointing. Laura Ashley and Redland reported profits falls and the Brewery sector was hit by restructuring announcements.

Redland fell by 61.5 pence to 220 pence and analysts prepared to downgrade forecasts for the whole year.

Laura Ashley, which reported a first-half loss of 4.5 million pounds (2.7 million dollars), fell by 6.5 pence to 59 pence.

In Germany, share prices rose by 1.13 per cent to 1,48.58 points on the cac 40 index in quiet trading.

The television group pro Siemens rose by 0.90 marks to 85.80 on reporting a 27.0 per cent increase of pre-tax, half-time profits.

Siemens rose by 2.0 marks to 123.15 marks. Mannesmann by 11.80 to 867.80, Preussag by 8.0 to 508.50 and Veba by 0.80 to 103.0, viag by 7.0 to 767.0, Thyssen by 1.80 to 407.80 and Deutsche Telekom by 0.12 to 33.80.

The RWE energy group fell by 0.90 to 83.90 despite a decision by local authority shareholders accepting to relinquish majority control of voting rights.

Kohl's ambitious tax reform plan dies

BONN, Sept 26: Parliament early Friday gave up efforts to agree on an ambitious tax cut plan, burying a centerpiece of Chancellor Helmut Kohl's efforts to reform the German economy, reports AP.

Months of partisan deadlock were confirmed in five hours of talks on the government's plan to slash corporate and personal income taxes to postwar lows, touted by Kohl as a way to boost investment and create jobs.

The opposition Social Democrats rejected the plan, which they said would give high earners too much relief and would increase the budget deficit.

The tax reform has failed, because the governing coalition offered no new concept," Social Democratic chief negotiator Hans Eichel told reporters after the session of a mediation committee of both houses of parliament, which began late Thursday.

Each side accused the other of blocking an overhaul of Germany's complex and burdensome tax system, now set to become a campaign issue for national elections next September.

"Now the voters will decide" on which mode they prefer, said Erwin Huber, a negotiator for the Christian Social Union, the Bavarian sister party of Kohl's Christian Democratic Union.

The tax impasse and delays in other welfare state reforms have created a sense of malaise about Germany's ability to face the challenge of the global

economy.

Kohl's governing three-party coalition had passed the 30 billion mark (16.5 billion dollars) tax cut in the lower house of parliament, but the opposition-dominated upper house blocked it.

A previous attempt by parliament's mediation committee to find a compromise failed last month.

The government's plan called for lowering the minimum personal income tax rate to 15 per cent from about 26 per cent. The highest personal tax rate — for incomes of 90,000 marks (53,000 dollars) or higher — would have dropped to 39 per cent from 53 per cent.

Tax rules also would have been simplified and loopholes closed.

Since the government unveiled its tax proposals in January, it has agreed with the opposition only on scrapping a tax on business capital that provided revenue for communities.

Adding to Friday's failure was an embarrassing rift inside the government.

Kohl's coalition was divided over whether to raise other taxes — such as the value-added sales tax or the energy tax — to make up for cuts in payroll taxes proposed by the opposition.

In the latest meeting, the Social Democratic majority on the mediation panel passed its own plan for lowering payroll taxes and increasing the two other levies.

Export of UK beef German farmers accuse EU

CHEMNITZ, Germany, Sept 26: Germany's top farmer yesterday accused the European Union of being responsible for illegal exports of British beef because of lax controls, reports AP.

An export ban slapped on British beef in March last year after scientists established a link between "mad cow" disease and its human equivalent had been insufficiently monitored by the European Union, said Gerd Sonnleitner, President of the German Farmers Association.

Government of the People's Republic of Bangladesh Office of the Executive Engineer Cox's Bazar Public Works Division Cox's Bazar

Memo No: 1467

Dated: 8/9/97

Tender Notice No. 4/97-98

- 1) Tenders in BD Form No-2911 under sealed cover are hereby invited from Public Works Directorate enlisted special first class/first class building contractors, Chittagong Public Works Zone, Chittagong enlisted second class building contractors, Chittagong Public Works Circle No-2, Chittagong enlisted third class building contractors and Public Works Division, Cox's Bazar enlisted fourth class building contractors for the undermentioned work. Tenders will be received by the undersigned and Executive Engineer, Public Works Division No-3, Agrabad, Chittagong up to 12:00 Noon of 2/10/97 and will be opened on the same day at 12:15 PM in presence of the tenderers (if any) present. Tender should be submitted superscribing name of work on the envelope. Attested copy of Value Added Tax registration certificate from Value Added Tax Department should be submitted with the tender and attested copy of certificate containing TIN should be submitted with the tender, otherwise tender will be treated as cancelled.
- 2) Name of work : Repairing work of cyclone damaged court building of Cox's Bazar Deputy Commissioner. Year 1997-98.
- 3) Estimated cost : Taka 1,51,937.00.
- 4) Earnest money : Taka 3,039.00.
- 5) Time limit for completion of work : 25 (twenty-five) days from the date of issue of work order.
- 6) (A) BD Form No. 2911, additional terms & conditions of tender etc can be seen and purchased at the usual price from the office of the undersigned, Executive Engineer, Public Works Division No-3/4, Agrabad, Chittagong and Executive Engineer, Public Works Division, Bandarban during office hours on or before 1/10/97. Contractor himself or his authorised representative can purchase the tender. (B) Contractor shall be bound to pay VAT at the rate prescribed by the Ministry of Finance/National Board of Revenue against classified work. Final settlement payment of bill cannot be made until VAT registration & payment of VAT at prescribed rate by the contractor.
- 7) If more than one person/firm becomes the lowest tenderer by submitting the same rate individually, then lottery will be held at the office chamber of the undersigned by the undersigned or his authorised representative at 12:00 Noon of 6/10/97 before the tenderers (who are interested to be) present.

Md Badrul Aktar Chowdhury
Executive Engineer
Cox's Bazar Public Works Division
Cox's Bazar, Phone: 3547

DFP-21235-219
G-2292

Government of the People's Republic of Bangladesh Ministry of Establishment Administration-4 Section

No. ME(A-4)-Computer/Consumer Goods -49/97/943
Dated 17-9/97-2-1404 BS

Tender Notice

Sealed tenders in prescribed schedule are invited from bonafide suppliers/contractors for purchase of stationery/computer consumer goods for use at Public Administration Computer Centre (PACC) of the Ministry of Establishment. Tender schedule can be collected from the Senior Assistant Secretary, Administration-4 Section, Ministry of Establishment by depositing Tk 250.00 (two hundred fifty) in cash to Bangladesh Bank under head 65-Miscellaneous Non-tax Revenue & submitting the copy of challan up to 1-10-97 (during office hours).

2. Pay Order/Bank Draft for 5% of the quoted value as earnest money in favour of Senior Assistant Secretary, Administration-4 Section, Ministry of Establishment should be enclosed with the tender.

3. Tenders can be deposited in the tender box kept at the office of the undersigned up to 1:00 PM of 5-10-97. Tenders will be opened on the same day at 1:30 PM before the tenderers (if any) present.

4. The authority reserves the right to accept or reject any tender without assigning any reason. No partial tender is acceptable.

5. For any information in this regard, the Senior Systems Analyst, PACC, Ministry of Establishment may be contacted on phone No. 862512.

Towhidur Rahman Khan
Administration-4 Section
Ministry of Establishment
Phone: 867056, 3038 (Blue)

DFP-21271-219
G-2291

Congress votes on visa application process shortly

Illegal immigrants in US anxious

SAN DIEGO, Sept 26: As he fills out his own application for a green card, Joel de Leon, pastor of Victory Outreach Church, comforts illegal immigrants in his congregation who are worried about being forced to go back to their homeland, says AP.

For the past three years, immigrants who were in the United States unlawfully remain in the country while applying for permanent residency.

But that provision expires next week. And if Congress does not extend it, de Leon could join an estimated hundreds of thousands of illegal immigrants who may be forced to return to their homelands and submit their paperwork from there.

For many of these illegal immigrants, the trip home could be costly and could mean a long separation from their family. Permanent-resident applications processed outside the United States at consular offices can take a year or two.

"I don't advertise that I'm illegal to my congregates," said the 34-year-old de Leon, who came to the United States from Mexico nine years ago. "But I can certainly understand — better than most — the stressful situation."

De Leon has known for five months that the provision might expire, but didn't get

around to applying until now. If he doesn't get his application in the mail in time, or if it is rejected, he could become subject to the law requiring him to go home.

But the pastor and many other illegal immigrants said they will remain here past the deadline and risk deportation.

The about-to-expire law was passed as a pilot programme to encourage illegal immigrants to apply for visas. Applicants must pay a 1,000 US dollars fee but are not otherwise penalized for overstaying a visa or sneaking

into the United States.

The law's supporters say it has enabled families to remain together. Critics say it rewards lawbreakers.

Extending it would be an insult to immigrants who play by the rules and wait their turn to come into the country," said Rep. Lamar Smith, a Texas Republican.

The law expires Tuesday. Making matters even worse for illegal immigrants, a separate new immigration law says that those who are apprehended in the United States after Saturday

face three-year or 10-year bans on returning to the country, depending on how long they had been here.

Cristina Zamora, 22, came across the Mexican border in 1993 and is now applying for permanent residency. If her application is rejected, she may have to return to Mexico to reapply.

"I'm in the middle of my life here," she said, excited about her courses at community college. "I'm not going to leave."

About 345,000 people applied in the first two years of the program, said Bill Strassberger, a spokesman for the Immigration and Naturalization Service. In this fiscal year, the application fees have generated \$214.5 million.

Smith said money should not be a deciding factor for lawmakers. "I don't think we should sell our souls for a few millions of dollars. We already spend billions of dollars to reduce illegal immigration," the congressman said.

The law has also significantly cut down on the work load for US consulate offices abroad.

The Clinton administration wants the provision extended. The Senate approved an extension, contained in the bill that funds INS operations. The House is expected to take up its bill later this week.



The first annual general meeting of Mercantile Insurance Company Limited was held in the city recently. Chairman Prof. Md Razaul Karim, MP, Vice-Chairman Md Serajul Islam and Managing Director Md Shamsul Hoq and other directors of the company attended the AGM.