The Daily Star
BUSINESS

DHAKA FRIDAY, OCTOBER 3, 1997

ROK suspends import of US beef

SEOUL, Oct 2: South Korea on Thursday suspended imports of beef produced in the US state of Nebraska, saying the meat may be contaminated with E coli bacteria, reports AP.

South Korean quarantine officials detected E. coli backteria last week on the surface of frozen and sliced beef bought from IBP Inc. of the United States. The meat came from Nebraska.

The government immediately ordered a local importer to return or destroy 18 tons of Nebraska beef kept in warehouses, and launched expanded tests of all beef imported from the US state.

The news scared away customers from restaurants serving beef. Major department stores reported sharp drops in sales of imported beef.

On Thursday, Lee Young-rae, a Deputy Assistant Minister for Agriculture, said the government has blocked customs clearance for all Nebraska beef until the meat is found to be safe from contamination.

US Department of Agriculture officials said the presence of E. coli on the outside of the beef does not violate US regulations because the organism would be killed in cooking.

It would be a violation only if it were found in ground beef, where the organism could be mixed into the center and possibly escape the degree of heat required to kill it, they said.

US quarantine experts planned to travel to South Korea for joint inspections, Agriculture Ministry officials said.

It is the first time that the bacteria has been found in beef imported from abroad.

About 97,000 pounds (44,000 kilograms) of beef has been imported from the United States, Australia, New Zealand and Canada in the first eight months of this year.

Fisons declares 30 pc interim dividend

Fisons (Bangladesh) Ltd declared a 30 per cent interim dividend for the year 97, says a press release.

This was announced after a Board meeting of the company held recently with the Chairman of the Board Benoit Girette, in the chair.

Members of the Board of Directors, representing the two major share-holders Ministry of Industries and Fisons (Bangladesh) Ltd, Anwarul Hoque, Chairman of Bangladesh Chemical Industries Corporation (BCIC), AKM Shamsuddin, Managing Director, Fisons (Bangladesh) Ltd, Shafiuddin Ahmed, Joint Secretary Ministry of Industries, and DD Chopra, Managing Director RP India attended the meeting.

HW Imam, Director (Finance) & IT Fisons (Bangladesh) Ltd who was appointed the new Company Secretary also attended the meeting.

IFIC's Saturday banking from Oct 4

Twentyone branches of IFIC Bank will remain open on Saturdays from 10:00 AM to 1:00 PM with effect from October 4, says a press release yesterday.

Branches located in important business centres such as Motijheel, Federation, Islampur, Moulvibazar (Dhaka), Bangshal, Narayanganj, Agrabad, Khatunganj, Khulna, Jessore, Kushtia, Barisal, Faridpur, Rajshahi, Bogra, Dinajpur, Rangpur, Pabna, Comilla, Sylhet (Main Branch), and Mymensingh will remain open for conducting banking transactions like cash and cheque receipt, cash payment and remittances.

NBR clarification

The National Board of Revenue (NBR) Wednesday issued a clarification of a news item published in various dailies about the change of income tax jurisdiction over DSE members.

The clarification says for the sake of uniformity and ease of assessments of DSE members, the jurisdiction over them has been bestowed on a particular zone which is as like as any other zone for the purpose of assessment.

Every effort will be made to ensure that no injustice and inconvenience would be done to any DSE member.

In this regard a meeting has already been held between the Chairmen of NBR and DSE, and it has also been agreed that detailed modalities of cooperation will be worked out in a joint meeting later.

The change of jurisdiction is a regular phenomenon of Board Administration.

Stock trading and share price are, in no way, connected with the change of such tax-jurisdiction.

NBR always makes every endeavour to build a better relationship of mutual confidence between tax department and the tax payers and it seeks all cooperation and contribution of all concerned in attaining the revenue target.

BATEXPO 97: Garments industry's biggest extravaganza, the annual exposition, got off to a glamorous start yesterday with Prime Minister Sheikh Hasina opening the three-day show at the Sonargaon hotel, the usual venue for the last eight years. This year, organisers, Bangladesh Garments Manufacturers and Exporters Association, have added another feather to it -- a grand sale of products piled up over the past three years, but only for foreign buyers. Also featuring what has come to become a kind of a festival is a fashion show, scheduled for this evening at the same venue. The Daily Star Chief Photographer A K M Mohsin captured the events at the inauguration, attended by senior government ministers, business leaders, diplomats and dignitaries: (anti-clockwise) the PM hands a top exporter his award, receives a crest from the BGMEA president and then cuts the ribbon.

'The target was not to hurt exporters'

Star Business Report

Commerce and Industry minister Tofael Ahmed said yesterday that importers of Bangladesh's apparels in the European Union countries were happy about Dhaka's decision to cancel the disputed GSP certificates.

Referring to his visit to Brussels last month when he lobbied for a two-stage transformation for knitwears, the minister said "a long standing issue covering GSP has been successfully resolved."

The minister was speaking as a special guest at the inaugural ceremony of Bangladesh Textile Exposition 1997. Finance minister SAMS Kibria, state minister for labour and manpower Abdul Mannan, commerce secretary Alamgir Farouk Chowdhury, and BGMEA president Mostafa Golam Quddus also spoke at opening ceremony at the Hotel Sonargaon.

He gave an overview of government efforts to resolve the complicated issue, and said he had talked to the EC, individual EU countries and the business community for the last nine months before withdrawing the certificates as demanded by Brussels.

"Our target was not to hurt our entrepreneurs, not to dishearten our importers, but to uphold and the friendship and cooperation with the EC," he said.

"I also had two meetings with the leaders of the European importer's association. They expressed their happiness about our steps," the minister said.

The minister told the exporters, diplomats and the buyers and their representatives in Dhaka that the importers would be paying back the duty for irregular GSP certificates to EC in the next two or three years.

"So the EC importers will get sufficient breathing time to pay off their tax liabilities."

The minister said the government would go all-out to help exporters to multiply export earnings from readymade garments.

Speaking on the achievements in the first two months of the current fiscal, July and August, he said exports grew at a rate of 19 per cent over the corresponding period of the last fiscal.

"This is a clear manifestation of recovery from early shake-up in marketing our garment products in European countries and demonstration towards a bright and prosperous future."

Finance Minister Shah A M S Kibria spoke of both conventional and unconventional measures taken by the government to resolve the problems of the industry relating to banking sector.

But he turned down an appeal of the BGMEA for waiving the existing 0.25 per cent tax at source for garment exports.

"If you pay your tax properly, you need not to ask me for such exemption. This (tax at source) will automatically disappear."

The finance minister said "not too many of the manufacturers" were really paying taxes.

He said the government wants to create a culture in which the people, including businessmen, would pay tax voluntarily. He said revolutionary tax measure has been developed by allowing the limited companies to submit their tax return voluntarily.

"You should take the opportunity ... Let's not always depend on the government for subsidy."

BGMEA President Mostafa Quddus expressed concern over the continuing instability in the country's political arena and said both the government and the opposition should come forward with a sense of responsibility and cooperative attitude to ensure political stability and social peace.

"There must be a minimum degree of consensus among all patriotic citizens on issues affecting the vital national interests," he said.

The BGMEA chief urged all political parties to keep the garment sector and all other export-oriented industries outside the purview of hartals, strikes and such other programmes.

"The cost to the national economy of such negative programmes is too high for a country like Bangladesh ... please give us political stability," he said.

He hailed some of the government efforts in the banking sector such as reducing LC charges, waiving duty and risk bonds for each LC, and bringing down the insurance premium by 54 per cent.

Quddus, however, demanded equal opportunities both in and out of the export processing zones, because of what he said "for all practical purposes, every 100 per cent export-oriented garment factory is virtually an export processing zone in itself."

He also asked the government to declare an exporter a CIP whose earns Tk 15 crore worth of foreign exchange each year.

India wants new SAARC investment regime

NEW DELHI, Oct 2: India has called for an appropriate investment regime for boosting intra-SAARC (South Asian Association for Regional Cooperation) trade and investment, says PTI.

Addressing the first SAARC meeting on promotion and protection of investments here recently, finance secretary Dr Montek Singh Ahluwalia said the new regime should take into cognisance changes envisaged over the next 10 years in the SAARC region.

The meeting considered expecting conclusion of bilateral agreements on promotion and protection of investment among the SAARC member countries.

At the meeting, India offered to prepare a concept paper for operational work plan and framework for a dispute settlement mechanism in the region.

The meeting agreed that consultations on macro-economic policies of the SAARC member countries having a bearing on investments, should be considered by the meeting of finance ministers and finance secretaries of the SAARC member countries.

The ninth SAARC summit at Male in May 1997 had agreed to initiate steps to promote and protect investments and adoption of measures promoting SAARC joint ventures.

Asia-Pacific stocks bear the brunt of currency crisis

HONG KONG, Oct 2: Stock markets across Asia-Pacific region bore the brunt of the worsening currency crisis which saw new record lows for the Malaysian ringgit, Indonesian rupiah and the Philippine peso, reports AFP.

Malaysia, Singapore and Jakarta saw their stocks suffer as their currencies fell. Kuala Lumpur's stocks ended 2.3 per cent down, with investors reacting to more suggestions from Prime Minister Mahathir Mohamad that foreign exchange trading should be regulated.

"There is no support coming in for the market. Players are jittery as they do not know where the ringgit is heading," said Victor Wan, an analyst with South Johor Securities in Kuala Lumpur.

Singapore's blue-chip stocks ended 0.7 per cent lower, as even the robust Singapore dollar was hit by speculation.

"The market opened steady, but in light of this currency turmoil everybody chose to go to the sidelines and the momentum dissipated," said Chandra Mahawar, a dealer with Deutsche Morgan Grenfell, in Singapore.

Jakarta's shares dropped 1.8 per cent and dealers predicted worse to come for the rupiah.

A dealer with a leading local brokerage said he expects very little activity in the market with rupiah looking like it might drop to 3,500 against the dollar in the next day or two.

"The things you've also got to look at include the increase in debt servicing payments and the current account deficit," he said.

TOKYO: Japanese share prices closed moderately lower, with short-covering helping erase some of earlier losses triggered by a weak "taankan" survey released by the Bank of Japan, brokers said.

The Nikkei stock average of 225 selected issues on the Tokyo Stock Exchange fell 45.55 points, or 0.3 per cent, to finish at 17,842.16, while the broader topix index of all first section issues dipped 0.13 points to 1,388.45.

HONG KONG: Hong Kong's financial markets were closed for a national holiday.

SINGAPORE: Singapore blue-chip stocks ended 0.7 per cent lower as sentiment was dampened by a sharp depreciation of neighbouring Malaysia's currency and shares, dealers said.

"The market opened steady, but in light of this currency turmoil everybody chose to go to the sidelines and the momentum dissipated," said Chandra Mahawar, a dealer with Deutsche Morgan Grenfell.

SYDNEY: Australian share prices gained 0.4 per cent as mining stocks forged ahead on the back of a stronger gold price, brokers said.

The Australian stock exchange's main indicator, the all ordinaries index, rose 12.3 points to 2,779.2.

"Gold was the highlight of the day and the leading stocks showed very good gains," Bill Richmond from Peake Lands Kirwan said.

The all resources index rose 14.7 points to 1,376.9 and the all industrials gained 10.7 points to 4,562.5.

KUALA LUMPUR: Malaysian stocks took a beating as the local currency crashed to new lows following fresh suggestions from Prime Minister Mahathir Mohamad to regulate foreign exchange trading.

The Kuala Lumpur stock exchange's 100-share weighted composite index fell through the 800-point psychological level to close 18.74 points or 2.3 per cent lower at 795.83.

BANGKOK: Thai share prices rose 0.6 per cent on speculation in banking shares following reports that major banks would not suffer as previously expected under upcoming financial reforms, analysts said.

The composite stock exchange of Thailand (set) index was up 3.26 points at 547.80, while the selected set 50 index gained 0.37 points to finish at 41.43 points.

AUCKLAND: The New Zealand Stock Exchange climbed 0.7 per cent with Fletcher Challenger Ltd's paper stock and Telecom Corp finishing strongly.

The NZSE-40 was up 18.01 points to 2575.09.

Xenel Industries Ltd, a Saudi company, has submitted a project proposal to upgrade a 20-MW power plant in Sylhet into a 120-MW one. The company, which built the Hub power plant in Pakistan, also plans to take up a water project in Chittagong to increase supply to the export processing zone at the port city. At a press conference yesterday, Xenel general manager James Chapman and country manager Ian Remington spoke about their plans.

— Star photo

Drive to boost tourism

India easing visa rules

NEW DELHI, Oct 2: The Indian government is planning to allow tourists to obtain visas after arriving at airports in line with a drive to boost tourism, a minister announced here yesterday, says AFP.

Tourism Minister Srikant Jena said Prime Minister Inder Kumar Gujral had given a "positive response" to his suggestions on easing visa rules in the country.

"We have suggested a system where tourists can apply for a visa on arrival at the international airports," Jena said in a discussion broadcast by a private television channel.

"A few technical matters remain to be sorted out, but we are moving in that direction," the tourism minister added.

He also promised to investigate complaints of harassment of foreign tourists by tour operators in India, adding that airports security personnel would also be told to behave politely with the visitors.

India hopes to more than double the number of annual tourist arrivals to almost five million by 2000.

Experts, however, say air travel and accommodation which are more expensive in India than in other regional destinations coupled with delays in handing out visas have stunted the growth of tourism here.

ACER may offer low-cost PC to Bangladesh

Star Business Report

ACER (Singapore) will explore the possibility of offering low-cost personal computer to Bangladesh.

This was stated by Raymond Toeh, Business Development Manager of the company at a press conference in the city on Wednesday.

He said his company wants to achieve this mission in partnership with Dolphin Computers Ltd of Bangladesh, says a press release.

Ex-VP of Yamaichi Securities held

TOKYO, Oct 2: Prosecutors on Thursday arrested a former vice president of Yamaichi Securities Co. in a payoff scandal that has spread to all four of Japan's biggest brokerages, reports AP.

Prosecutors from the Tokyo District Public Prosecutors Office said they arrested former Vice President Ryuji Shirai and searched his home and office for evidence.

Atsuo Miki, the former president, and five other former Yamaichi executives were already under arrest, accused of illegally funneling profits to Ryuchi Koike, a suspected racketeer.

An official at the prosecutor's office, who spoke on customary condition of anonymity, said Shirai and the others are suspected of conspiring to illegally compensate Koike for investment losses.

S Asia opening to world economy

By Warner Rose

HONG KONG, Oct 2: The countries of South Asia among the least integrated into the global economy, are beginning to open their trade and financial markets to the rest of the world, says a new World Bank report.

Real exports from South Asia grew 11.4 per cent annually in the 1990s, twice the region's export growth rate in the 1980s and faster than any other region of the world except East Asia, the report said.

While the rate of export growth is booming, per capita exports are five times lower than in other developing countries, with South Asia accounting for only one per cent of world trade, compared with four per cent for China, says the report.

"South Asia's Integration into the World Economy," released at the mid-September World Bank and International Monetary Fund annual meetings here, defines the economies of South Asia to include Bangladesh, India, Nepal, Pakistan and Sri Lanka.

The five countries have reduced trade barriers, cutting South Asia's nominal protection rates in half during the last five years, the report said. Still, trade protection remains higher in South Asia than in most other areas of the world and vast sectors, such as agriculture and consumer goods in India, have not been liberalized, it said.

In addition to removing trade barriers, the governments also have reduced regulations on foreign investment, liberalized financial markets, relaxed exchange controls, and taken steps to curtail the state-owned sector.

These liberalization measures helped the region as a whole achieve in the 1991-1996 period gross domestic product (GDP) growth rates higher than any region in the developing world except East Asia, though aggregate GDP in the region still accounts for only 1.5 per cent of world GDP.

Private capital flows to South Asia have sharply increased. In 1996 they were about six times the amount of 1990, the report said. However, South Asia's share of net private flows to developing countries has actually declined, from 7.6 per cent in the 1980s to 4.3 per cent in 1996.

— USIS

Shipping Intelligence

CHITTAGONG PORT

Berth position and performance of vessels as on 2.10.97

Berth No	Name of Vessels	Cargo	L Port Call	Local Agent	Date of Arrival	Leaving
J/1	Kimberley	C Clink	Dali	MBL	09/9	6/10
J/2	Baigon-2	Urea	Rown	CTPL	22/9	6/10
J/4	Rallia	GI	Sing	Prog	21/9	2/10
J/6	Vocean	GI	Maura	Oil	25/9	5/10
J/7	Aurora	Wheat (G)	Mong	Lams	R/A	7/10
J/8	Great Prize	Wheat (G)	Qasim	Ancient	23/9	5/10
J/9	Yi Ming	GI	Mong	Oil	23/9	5/10
J/11	Il Po	GL	Mong	OWSL	19/9	5/10
J/12	Banglar Doot/Khanak	GL	Mong	BSC	30/9	2/10
CCT/2	M Regina	Cont	Sing	Pil (BD)	29/9	3/10
CCT/3	Da Fu	Cont	Sing	APL(B)	29/9	3/10
RM/14	Ivan Vazov	Fert (MOP)	—	Litmond	R/A	8/10
CCJ	Nan Du Jiang	C Clink	Dam	Seacom	21/9	8/10
TSP	Navigator	R Phos	—	Prog	R/A	5/10
RM/4	Sheng Yuan	Cement	Peng	RML	19/8	8/10
RM/6	Star Glory	Cement	Lans	Delmure	R/A	13/10
DOJ	Banglar Jyoti	Repair	—	BSC	R/A	6/10
DDJ/1	Tanary Star	Idle	Para	PSAL	—	20/10
RM/8	Banglar Mookh	Repair	—	BSC	R/A	4/10
RM/9	Banglar Shourabh	Repair	—	BSC	R/A	4/10
CUFLJ	Banglar Kakoli	Repair	Yoko	BSC	20/9	4/10
Kafco(U)	Tug Ocean Echo	P Mat	Sing	MBL	30/9	15/10

Vessels Due at Outer Anchorage

Name of Vessels	Date of Arrival	Last Port Call	Local Agent	Cargo	Loading Port
Kota Pusaka 21/9	2/10	Sing	Pil (BD)	Cont	Sing
Hai Mao	2/10	Sing	PSAL	MOP	-
Ocean Crest	3/10	Yang	OWSL	GI (Logs)	-
Great Best-1	5/10	Riza	USTC	Cement	-
Anlida	3/10	Sing	BNSC	Cement	-
Vega SS	3/10	Vict	Litmond	Sugar	-
An Yang Jiang	3/10	Xing	ECSL	GI (Rly Conc Sleeper)	-
Phonix Transport	3/10	—	Seacom	Sugar (G)	-
Venturer	3/10	Fuja	Simni	Scraping	-
Shui Cheng	3/10	Namp	USTC	Cement	-
Grace Marine	4/10	Sing	Everett	GI (Vehi)	-
RAB	6/10	Shek	Litmond	Fert (MOP)	-
Meng Lee 22/8	6/10	Sing	BDShip	Cont	Sing
Dragon Sentosa 4/9	8/10	Col	Baridhi	Cont	Col
Sin Hai 26/9	6/10	Sing	QCSL	Cont	Sing

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

48 foreign banks allowed to open offices in Myanmar

YANGON, Oct 2: A total of 48 foreign banks have been permitted to open representative offices in Myanmar since the country reformed its financial management system in line with the market-oriented economy introduced in the late 1980s, reports Xinhua.

Of the total, 44 already have put their offices into operation, Myanmar Minister for Finance and Revenue Win Tin was quoted by the official paper The New Light of Myanmar as saying yesterday.

The 48 banks are from 16 countries and regions, mostly from Japan, Thailand, France, Singapore, Malaysia and South Korea.

The latest foreign bank representative office, which was opened here Tuesday, is the Korea long term credit Bank of South Korea.

Ansar-VDP Bank plans to open 52 branches

Ansar-VDP Unnayan Bank has planned to open another 52 branches during the current fiscal year.

This was decided at the 31st meeting of the board of directors of the bank held at its principal office in the city on Tuesday, says a press release.

Former Home Secretary and Chairman of the bank Azimuddin Ahmed, presided over the meeting.

In the first phase, 40 branches of the bank will be opened while in the second phase 12 branches will be established.

With these branches, the total number will be 70.

Exchange Rates

The following are the **Janata Bank**'s dealing rates (BD Tk for one unit of Foreign Currency) to public as on 02/10/97.

Buying

Name of Currency	TT Clean	OD Sight Export Bills	OD Transfer
US Dlr	44.4200	44.2493	44.1334
GB Pound	71.3992	71.1085	70.9221
D Mark	24.9070	24.8056	24.7406
F Franc	7.4163	7.3861	7.3667
JP Yen	0.3657	0.3642	0.3632
C.Dlr	31.0967	31.9660	31.8822
S Franc	30.3016	30.1782	30.0991

Selling

Name of Currency	T.T.& O.D.	B.C.
US Dollar	44.7115	44.7510
GB Pound	72.4291	72.5099
D.Mark	25.3142	25.3423
Fr. France	7.5392	7.5476
JP Yen	0.3742	0.3746
C.Dollar	32.6240	32.6603
S. Franc	30.8093	30.8436

Janata Bank's selling and buying rates in cash currency for public:

	Selling	Buying
US Dlr	45.2000	44.7000
GBP	71.4300	69.4300
S Riyal	11.9000	11.6000
Uae DH	12.0500	11.5500