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**HYUNDAI**

CARS THAT MAKE SENSE

Easing political tension

Pak shares jump

KARACHI, Nov 22: Pakistani shares jumped yesterday on news of easing tensions in the country's political crisis with dealers reporting a surge in trading, reports AFP.

The KSE 100 index soared 75.05 points or 4.45 per cent to 1762.45 amid heavy buying, dealers said.

A government announcement launching a new investment-friendly policy also helped, they said.

Abid Reza, senior analyst at Khadim Ali Shah Bukhari and Company, said investors heaved a sigh of relief over signs of a lessening in political tensions.

The constitutional crisis appeared to be easing yesterday after last-minute mediation by the army averted a move by Prime Minister Nawaz Sharif to impeach President Farooq Ahmed Leghari.

French food festival begins in city today

Star Business Report

Dhaka Sheraton Hotel will hold a six-day "French Food Festival" to mark the French Week at the hotel from today, says a press release.

Two French expert chefs, Pierre Potel and Francis Metals, will arrive in the city to lend colours to the flavours of France.

Other important events of the week will be French trade show, fashion show, gala dinner, seminar and workshop.

Sugarcane crushing starts in N-region

RANGPUR, Nov 22: The crushing of sugarcane in the three sugar mills of the northern region has begun, says BSS.

The mills are: Shyampur Sugar Mills, Rangpur Sugar Mills and Joyprhat Sugar Mills.

A total of 26,095 metric tons of sugar is expected to be produced by crushing 3,41,000 metric tons of sugarcane in the three mills this year, an official source said.

The mill-wise break up is: Shyampur Sugar Mills will produce 5,320 metric tons of sugar by crushing 70,000 metric tons of sugarcane, Rangpur Sugar Mills 9,375 metric tons of sugar by crushing 1,21,000 metric tons of sugarcane and Joyprhat Sugar Mills 11,400 metric tons of sugar by crushing 1,50,000 metric tons of sugarcane.

The crushing will continue for 90 days, the source said.

An elderly sugarcane grower inaugurated the crushing ceremony at a function held at the Rangpur Sugar Mills here Friday.

Zheel Bangla Sugar facing problem

A UNB report from Jamalpur says: Zheel Bangla Sugar Mills may not achieve its target in the current crushing season as illegal power crushers have been set up in the mill areas for producing molasses.

The mill has fixed a target to crush one lakh tons of sugarcane in the current 1997-98 season, but a section of unscrupulous molasses traders started producing molasses using power crushers defying government ban.

It is learnt that over 100 illegal crushers have been running in different areas in Islampur, Bakshiganj and Dewanganj thanas of the district.

The mills authorities alleged that the growers who received loans and agri-inputs from the mills for producing sugarcane are now supplying their produce illegally to molasses traders.

Confederation of Indian Industry observes

Bangladesh, India & Pakistan need to form growth axis

NEW DELHI, Nov 22: The Confederation of Indian Industry (CII) has pleaded for the formation of a Bangladesh-India-Pakistan Growth Axis (BIPGA), for integrated development of the subcontinent, reports BSS.

The CII note titled "Bangladesh, India and Pakistan - Towards a Paradigm of Partnership" also contains a 17-point action plan and is relevant in the context of the three-nation summit in Dhaka, which, however, has been postponed due to fast developing political situation in both Pakistan and India.

The CII paper stresses on the imperative for cooperation in infrastructure, creation of en-

vironment for investment, promotion of joint ventures and trade promotion.

In view of the progress that SAARC has achieved towards SAPTA and SAFTA, the CII said that the SAARC can emerge as a trading bloc of considerable significance for the world economy.

For this, it said, Bangladesh, India and Pakistan need to join hands in a determined bid to integrate their economies through trade, investment and technological cooperation.

The CII paper said that together the three countries constitute the world's largest potential market and any move towards an integrated market may unleash an unprecedented

entrepreneurial initiative and economies of scale, besides attracting large-scale FDI and technology.

For encouraging cross-border investment, the CII paper's proposals include: Developing an exclusive policy package for encouraging cross-border investment, permitting joint tendering for governmental multilaterally funded projects, harmonising technical standards, business laws and practices, quality standards, cooperation for development of supporting institutions such as industrial training, product testing.

The CII suggestions in the area of joint ventures include: Formation of collaborative

ventures in products that are major export items of the three countries - readymade garments, fabrics, leather, tea, gems and jewellery.

It said successful joint ventures are possible in the areas of steel, cement, textiles, petrochemicals and engineering industries.

It further said that as a result of cooperative advantage in the areas of natural resources, agricultural implements, raw materials and large reservoir of manpower, the subcontinent could be one of the largest production centres for steel, cement, aluminium, textiles, fertiliser, leather goods, sugar, food products and medical and pharmaceutical products.



To introduce the newly recruited airhostesses of Air Parabat Ltd and give a briefing on their ensuing operation, the management of Airpan Ltd, general sales and marketing agent of the airline, organised a function at a city hotel yesterday. Air Parabat - a private limited company is a subsidiary of Karim Group of Companies having a paid-up capital of Taka two crore.

— Star photo

Strong rural infrastructure to help create jobs: Zillur

SHARIATPUR, Nov 22: Minister for LGRD and Cooperatives Zillur Rahman today said a strong rural infrastructure would help create new jobs and gear up rural economy in the greater interest of national progress, reports BSS.

"National progress can not be achieved without making each and every village self-reliant in the country," he said while inaugurating the newly built Kaziur Rahman bridge on the river Palong and the Kotapara bridge on the river Kirtinasha in the district.

The Local Government Engineering Department constructed the two bridges at a cost of Taka 2.35 crore. The minister also inaugurated the construction work of the 35 kms long Shariatpur-Jajira-Kawrakandi link road being implemented by the LGED the RHD departments.

The inaugural function was also addressed, among others, by Water Resources Minister Abdur Razzak, Master Mojibur Rahman MP, Prof Khaleda Khanom MP, district Awami League President Abdur Reza Khan, General Secretary Abul Fazal and Awami League leaders Alhaj Azizul Huq, Abdur Rob Munshi, Serajul Islam and leaders of Awami League front organisations.

Zillur Rahman said the pre-

sent government had undertaken a massive master plan to build a modern communication network in the country by constructing link roads between each union and district headquarters during its tenure.

"There is no alternative to construction of physical infrastructures in rural areas to solve the socio-economic problems of the vast population living in villages," he said.

Zillur Rahman said the Upazila System would be introduced after the Gram Parishad election in February next. He said a bill would be placed in the next session of parliament for the Upazila System to fulfil the hopes and aspirations of the people in accordance with the election manifesto of Awami League.

"We want to strengthen the rural economy to serve the interest of the rural people and also to stop the influx to rural people to urban areas," he said.

The LGRD and Cooperative Minister also addressed several public meetings at Kawrakandi, Jajira, Shariatpur, Damudya and Vedarganj where he said the opposition BNP had now been pursuing destructive politics in close collaboration with the anti-liberation forces to halt the present economic up-trend and to make inoperative

the present democratic process. He said politics of violence and vandalism being pursued by BNP was manifesting the party's mentality of defeat which it suffered during the last general elections.

"BNP has not yet been able to accept its election defeat with good grace and that is why this party is doing conspiratorial politics to oust an elected government," he said.

Zillur Rahman said the efforts of the past government had failed to evolve a solution to the long-standing problem in the Chittagong Hill Tracts.

The present government is now going to solve it through its sincere and relentless efforts in a short span of time," he said adding that this success of the present government had now made the BNP chief and her partymen intolerant.

The LGRD and Cooperative Minister later visited the Taka nine crore rural infrastructure development project here to see its progress. The project is being implemented by the LGED to improve the socio-economic condition of the rural people in terms of employment generation and environmental protection.

He also laid the foundation stone of the newly created Vedarganj Pourasabha.

BASC workshop on 'selling skill on IT' ends

Star Business Report

A four-day training workshop on 'selling skills' for the information technology marketing companies organised by the Business Advisory Services Centre ended Thursday.

The workshop aimed at improving selling skills of the participants who came from different organisations, says a press release.

The lead facilitator of the workshop was Shah Alam Chowdhury, Assistant Professor of the Business Administration Department of Jahangirnagar University While, Shaikh Abdul Aziz, Managing Director, LEADS Corporation was the key resource person.

Dr Najmul Hossain of the USAID distributed certificates among the participants as the chief guest and the ceremony was chaired by Muhammad Ali, Executive Director, BASC.

ACI announces 30 pc dividend, bonus share

Star Business Report

ACI Limited has declared a 30 per cent dividend for its shareholders.

It has also announced to issue one bonus for five shares.

The declaration was made at the company's 24th annual general meeting held at its Narayanganj factory on Thursday, says a press release.

The Chairman and Managing Director of the company, M. Anis Ud Dowla, presided over the meeting.

The meeting was informed that the company had got permission from the regulatory authorities for marketing of insulin from Eli Lilly. It also signed distributorship agreements with two research-based companies - Astra and Fujisawa, and with Searle.

Dowla said the company had recorded excellent growth in agrochemical business. It signed a distributorship agreement with a Belgian-Indian genetic engineering company Proagro, for marketing their rice and shorgum seeds.

In the consumer brands sector, the company has signed distributorship agreement with Heinz.

US trade deficit rises to \$11b in Sept

WASHINGTON, Nov 22: The US trade deficit rose to 11.1 billion dollars in September from a revised 9.46 billion dollars in August, the commerce department said.

As exports of capital goods slowed and imports of consumer goods picked up, reports AFP.

In percentage terms, the trade deficit widened by 17 per cent from the month before. The trade deficit in August had previously been estimated at 10.4 billion dollars.

The worsening of the trade deficit was unexpected. The consensus forecast of Wall Street economists was for the September deficit to narrow to 10 billion dollars from the previously reported 10.4 billion dollars in August.

The September trade deficit is the largest since January when it was 11.6 billion dollars. Imports rose 1.02 billion dollars in September, or 1.2 per cent, to a record 89.1 billion dollars from August, exports fell 579 million dollars in September, or 0.7 per cent, to 78 billion dollars.

For the first nine months of 1997 the United States posted a deficit of 86.5 billion dollars, compared with a 84.8 billion dollars deficit for the year earlier.

The US trade deficit with Japan stood at 5.13 billion dollars in August, the trade deficit with Japan stood at 4.5 billion dollars.

In the first nine months, the US trade deficit with Japan totalled 40.5 billion dollars versus 34.1 billion dollars for the same period a year earlier.

Industrialised countries reach accord to outlaw bribery

PARIS, Nov 22: Industrialised countries reached agreement overnight to outlaw bribery of foreign officials by companies to win overseas contracts but only partial accord on bribes to political parties, the OECD said yesterday, reports AFP.

The negotiations, described by several participants as difficult, began Tuesday and finally ended with a marathon late night session.

The agreement, due to be ratified next year, will make bribery of foreign public officials to win contracts a criminal offence for companies in Organisation for Economic Co-operation and Development countries.

The OECD will monitor implementation of the accord and whether member countries act to prosecute offending companies.

But on bribery of political party officials "we only have what I would call a partial solution," said Marino Baldi of Switzerland, who chaired the talks.

This is a remarkable achievement for the OECD and for the countries that are going to be a part of this convention, said Alan Larson, Assistant Secretary for Economic and Business Affairs at the US state department.

"Of course there is some unfinished business, but we believe that this is a major step forward."

The United States had said before the talks that it would not accept a deal that did not include bribes to political parties, arguing that this would create a loophole so large it undermined the whole agreement.

For the moment, the agreement includes only indirect bribes to political parties - for instance, a bribe to a foreign official who wants the money to go to a particular political party.

But the OECD agreed to con-

tinue to work on this issue, pledging to raise it again at the next OECD ministerial meeting early next year.

Several countries said including political parties posed constitutional problems because of a lack of such specific legislation for their own political parties.

The agreement will impose penalties on the bribers - the companies in OECD countries paying out money - but not the foreign officials receiving the money as this would constitute interference in a foreign country's sovereignty, said Mark Pieth of the OECD's anti-corruption committee.

A problem over how many countries need to ratify the agreement for it to come into force, almost scuttled the talks at the last minutes, but was finally resolved through a complex compromise, Baldi said.

The question of what sanctions will be applied was left fairly vague in the text of the agreement, but OECD officials said the aim was to ensure that companies suffered losses at least equivalent to the gain they made from any contracts acquired through bribes.

The agreement was adopted by the 29 OECD members and by five non-member countries, Argentina, Brazil, Bulgaria, Chile, and Slovakia the OECD said.

The convention is to be opened for signature from December 17 and members are due to implement legislation criminalising bribery to win overseas contracts at the end of 1998, after which the agreement would come into force provided enough countries have ratified it.

There was deep disagreement on this issue, with the United States feeling that two countries was enough, but other members, notably the European union and Japan, wanted the maximum possible number of signatories to ensure fair com-

petition for member countries companies, Baldi said.

Participants ended up agreeing on two possible ways for the agreement to enter into force.

If at least five of the 10 largest OECD economies ratify it during next year, the agreement will come into force immediately. But if at the end of 1998 not enough have signed, it will come into effect at the start of 1999 as long as two countries have ratified it.

China expects bumper harvest this year

SHANGHAI, Nov 22: Expecting a bumper harvest this year, China has instituted measures allowing supply and demand forces to dictate production and consumption of cotton, an industry official said, reports AFP.

"We are expecting a production of 4.3 million tonnes this year. It is a bumper harvest because the area under cotton cultivation has fallen," Shi Jianwei, Deputy Director of the Cotton and Flax Bureau, said.

Cotton hectareage has fallen by two to three million mu (130,000 to 200,000 hectares) to 67 million mu (4.47 million hectares), Shi said, as peasants responded to government encouragement since early this year to make their own decision to grow crops with the most economic returns.

"We have a measure to encourage peasants to produce whatever crop they want as long as they think it is profitable," he said, adding the move had resulted in crop switches in Hebei, Shandong, Jiangsu, Shanxi and Shaanxi provinces.

China, which is the world's largest cotton producer and trader, produced 4.2 million tonnes of the commodity last year.



A new kitchen market was opened at Mohammadpur in the city yesterday by Alhaj Moqbul Hossain, MP.

—Star photo



C K Hyder, Director, M Anis Ud Dowla, Chairman & Managing Director and Najma Dowla, Director of ACI Ltd are seen at the 24th annual general meeting of the company.

EU adopts plan to slash unemployment

LUXEMBOURG, Nov 22: Leaders of the 15 EU states Friday formally adopted an ambitious plan to slash unemployment by offering a new start to jobless youth and the long-term unemployed, a spokesman for the EU's Luxembourg presidency announced, says AFP.

Young people would be put of work no longer than six months before being offered either a job. Work-experience or training, and older people would be offered re-training within the first year of idleness.

Yamaichi Securities may close

TOKYO, Nov 22: One of Japan's biggest securities firms, suffering from a slumping stock market and the involvement of its executives in a payoff scandal, may be forced to close, Japanese finance officials said Saturday, reports AP.

Yamaichi Securities Co, one of the nation's "big four" brokerages, would be the largest Japanese company to collapse since World War II.

Its closure would be the latest blow to the Japanese financial world, which has been buffeted in recent years by the collapse of the 1980s "bubble economy" of real-estate speculation and excessive lending.

At an emergency news conference Saturday morning, Atsushi Nagano, head of the Finance Ministry's Securities Bureau, said Yamaichi had not yet decided if it would apply to the ministry to shut down its operations - the US equivalent of filing for bankruptcy.

Nagano said Yamaichi's financial condition is serious, but said it remained solvent. He said Yamaichi will decide whether or not to remain open by Tuesday. Monday is a national holiday in Japan.

The news of Yamaichi's troubles follows a string of major bankruptcies in Japan. Earlier this month, Sanyo Securities Co, a medium-sized Japanese brokerage, went bankrupt after failing to repay mounting debts. The collapse of Hokkaido Takushoku Bank, once of Japan's 10 "city", or commercial, followed on November 17.

Concern about the stability of Japan's banks has become so serious that Prime Minister Ryutaro Hashimoto is considering a massive government bailout to save more banks from failure.

Nagano said the ministry and the Bank of Japan, the central bank, will protect Yamaichi's customers from any losses and ensure that the brokerage's troubles do not undermine the financial system as a whole.

He did not say specifically how the government would do that.

Yamaichi has seen its stock price severely battered in recent weeks amid concerns over its financial health. On Thursday, it asked for financial help from Fuji Bank Ltd, one of Japan's biggest banks.

World markets

Performance of key international stock markets

Market	Index	% change
Amsterdam AEX	884.90	1.6%
Brussels BEL20	2295.50	1.0%
Frankfurt DAX	2915.54	1.1%
Hong Kong Hang Seng	10080.88	5.6%
London FT-SE 100	4080.4	1.6%
Nikkei	16390.49	2.5%
Sydney ASX All Ordinaries	2436.7	1.5%
Tokyo Nikkei	16390.49	2.5%
Zurich Swiss Market Index	9080.4	1.3%

Previous close
% change
not available
week holiday