


SHOWROOMS :
Gulshan — 31 Gulshan Tower, Gulshan-2, Dhaka. Tel: 9882192
Malibag — 89, DIT Road, Malibag, Dhaka.
Mirpur — 674, Rokeya Sarani, Kazipara Mirpur, Dhaka.
Uttara — Baly Complex, Sec-3, Uttara, Dhaka
Tranfin Trading Limited
Tel: 819625-9 815306-9

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BUSINESS

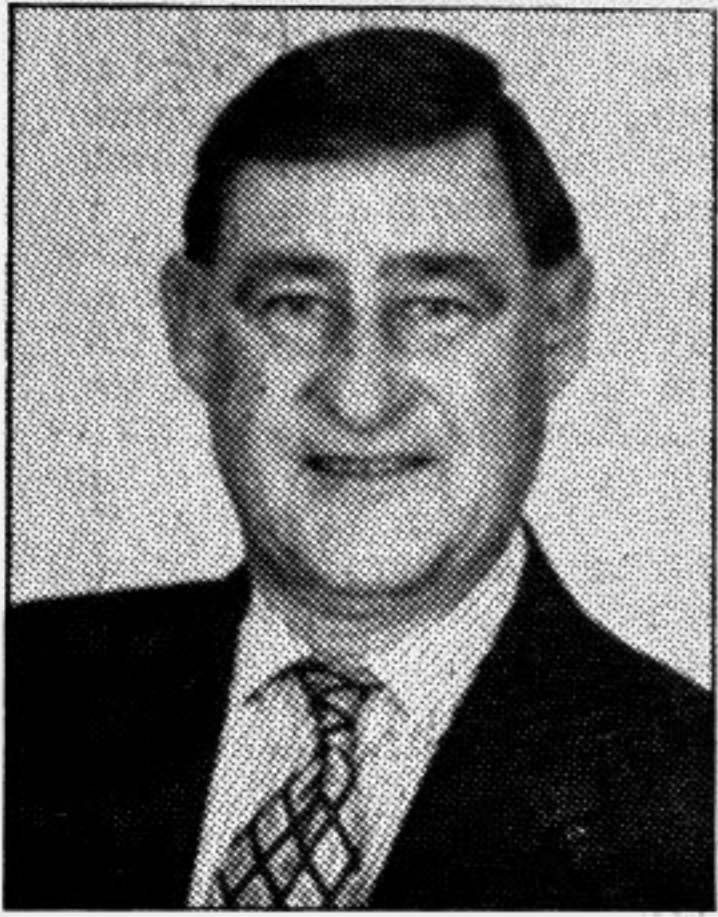
DHAKA SUNDAY, MARCH 1, 1998



HYUNDAI
CARS THAT MAKE SENSE

Alpha Tobacco proposes 50 pc dividend

Star Business Report
The Board of Directors of Alpha Tobacco Mfg Co Ltd has recommended a 50 per cent final dividend for the year ended September 30, 1997.
The dividend subject to approval of the annual general meeting to be held on March 25 this year included 20 per cent interim dividend which was declared in May last year.
The board at a meeting held recently also approved the audited balance sheet for the year ended September 30, 1997, according to a press release of the company.
During the financial year 1996-97, Alpha Tobacco Mfg Co Ltd contributed Tk 77.27 crore to the national exchequer in the form of VAT and supplementary duties and Tk 95 lakhs as income tax.



New MD of KAFCO

Star Business Report
Dr John Wilson will take over as the new Managing Director of KAFCO today.
Dr Wilson is a former Shell employee and has been working for the last few years as a marketing advisor to the Petrochemical Industries Corporation of Kuwait, says a press release.
He will take over the responsibility from the present Managing Director Dr Manucher Towhidi.
Dr Towhidi has been holding the present position for the past five and a half years.
The charge handing over and making over will take place on the day of KAFCO's 69th board meeting today.
K M Ejazul Haq, Secretary, Ministry of Industries and Chairman, SONARGAON Hotel at 7:00 pm today to bid farewell to Dr and Mrs Towhidi and to welcome Dr and Mrs Wilson.
Dr Towhidi will continue with KAFCO as an adviser to the MD for one month and will return to UK early next month.

A major gas field found in Pakistan

KARACHI, Feb 28: For the second time this month prospectors have struck a major gas reserve in Pakistan's southern Sindh province, officials said.
The two discoveries will substantially reduce Pakistan's import bill and ease a domestic shortage of gas, officials of the state-owned Oil and Gas Development Corporation (OGDC) said.
An OGDC official said the reserves in Tando Allah Yar district, 210 kilometres (130 miles) northeast of Karachi, were estimated at 38 billion cubic feet of gas.
Earlier this month a consortium of Pakistan Petroleum Limited, Austria-based OMV oil and Hardy company of Britain found a gasfield with potential reserves of one trillion cubic feet (30 billion cubic metres) at Sawan in the Miano area, 480 kilometres (305 miles) south-east of Karachi.
The official said drilling at Tando Allah Yar started last November and the gas was struck in January.

18,864 Filipino workers lose jobs in '98

MANILA, Feb 28: At least 18,864 workers in the Philippines have lost their jobs in the first five weeks of the year amid the Asian economic crisis, the Labour Department said Monday, reports AFP.
Some 477 companies either closed down or slashed labour forces between January 1 to February 6, the department said in a statement.
At least 32.2 per cent of the companies affected said they were closing down or retrenching due to a slump in market demand while 15.9 per cent blamed the lack of capital and 14.9 per cent cited the high cost of production.
Interest rates and foreign exchange costs have risen sharply in recent months since the start of the crisis in July, which in turn has hit the performance of local businesses.

'Decent living becomes a distant dream in Dhaka'

When Dhaka city holds an estimated 10 million people in its fold, it fails to provide a decent living to 70 per cent of its population, reports UNB.
Revealing the fact, a recent UN report said, the 70 per cent or 7 million people, who are categorised as low-income group, occupy less than 20 per cent of the city's residential space.
The remaining 30 per cent of middle and upper income households take up 80 per cent of the land as the city grows faster than ever during the last two decades due to migration.
The report, 'The Dancing Horizon', published by various agencies of UN, focused on various human development prospects for Bangladesh.
With a seven per cent migration trend per year to urban areas, the report said Dhaka ranked 24th populous city in the world in 1991 having an estimated 6.5 million population. But the city would be the sixth largest in the world by the year 2010 with 18 million people.
It said part of this growth arises from natural increase, but around 60 per cent is due to migration from the countryside



Dancing Horizon: In 2010, some 18 million people will scramble for space in this city of slums and rickshaws, says the UN.

for searching jobs in the city where wages rates are higher.
As a result, the proportion of population living in towns and cities, which was in 1971 only 8 per cent, now stand around 20 per cent. But, the report apprehended that by the year 2020, the proportion will be close to 40 per cent.
A big portion of rural-urban migration consists of single

women are coming out from their broken families in search of jobs, said the publication in its preface.
Compared with village children a smaller proportion of city children are at work (15 per cent compared with 20 per cent), but they tend to work much longer hours averaging 36 hours per week, compared with 23 hours in rural areas.

Almost all new comers to the city join the informal sectors which employed at least two-third of the urban workforce.
Transport is the major employer in the capital alone where it is thought that about one million people are employed in the rickshaw industry.
The publication also revealed that though the poverty

situation in the urban areas has probably improved compared to rural areas, more than 50 per cent people are believed to be poor with 30 per cent hard-core poor.
The reason behind the migration, it showed, 33 per cent moved to the urban areas for better jobs, 25 per cent without any work, 12 per cent for job transfer, nine per cent came

with relatives, two per cent to support family and rest 19 per cent for other reasons.
Of the migrated people, about 85 per cent live in temporary or makeshift thatched houses. The civic amenities, particularly water and sanitation, are very difficult to acquire in these houses which posed serious health hazards to the slum dwellers.
Despite having an overall health standards in urban areas, the infant mortality rate in slum areas is more than double than that of non-slum areas.
The report in its suggestions said as most people come to cities for work rather than better environment so the aim should be to ensure that everyone, rural and urban, has decent services.
The government could, for example offer more credit to enable people to purchase land and materials and then support them with basic services, particularly water, sanitation and drainage.
It would also help to simplify the regulations concerned with land registration as well as to promote safe but realistic building standards, it added.

Pests eat up Tk 1800cr rice annually

Pests eat up rice worth about Taka 1200 to 1800 crore annually, officials of Department of Agricultural Extension (DAE) told BSS yesterday.
They said a conservative estimate puts the annual loss of rice yield caused by the various pests attack at 10 to 15 per cent based on the annual production of 19 million metric tons.
The warm and humid climatic condition of Bangladesh is conducive for the development of various pests of crop, the officials said adding one of the major constraints to agricultural production is the crop pests.
The officials said although the chemical control has been the principal method of pest control, it has failed to check the pest attack during the last 10 years.
The indiscriminate use of toxic pesticides is the main cause of developing anti-insecticides resistance power, the DAE officials said.
They said the use of toxic chemical pesticides also destroys beneficial insects, upsets the balance between the pests and their natural enemies leading to the increase in the population of the target pests, and even the creation of the new pest problems.
The use of pesticides has also increased significantly during the last ten years.
DAE estimates that the pesticides leaders imported about 11,000 metric tons of pesticides in 1996 against the import of

5000 metric tons in 1986.
The farmers are also using smuggled toxic and sub-standard pesticides causing serious environmental and human health problems, said a senior official of DAE preferring anonymity.
He said though banned, high toxic pesticides like heptachlor, DDT and lindane are being indiscriminately used by the farmers in the agricultural field.
The government launched an integrated pest management project (IPM) with the financial assistance of UNDP in 1996 to reduce use of chemical pesticides.
The cost of the project has been estimated at 66,1842 US dollars for completing the entire spectrum of work of the project within five years from the date of commencement in May 1996.
The objective of the project is to train up more than 84,000 farmers in rice IPM. DAE sources said adding in the first phase the project is providing IPM training to field level staff of the DAE, who in turn, will establish Farmers Field School (FFS) to train the farmers.
According to DAE, the IPM targets changing the farmers' practices toward growing a healthy crop, and increasing the farm output and farmers' income on a sustainable basis while improving the environment and community health at the same time.

Mohsin Jute Mills resumes production

KHULNA, Feb 28: Production in Mohsin Jute Mills here resumed today after 26 days of work abstention by its workers, reports UNB.
Manager (Administration) of the mill said the workers' union agreed to resume the production after fruitful tripartite discussion with the mill authority held at the office of Joint Labour Directorate.
Production of the mill was suspended following deterioration of the situation after the workers gheraoed the officials on January 26 and 27 demanding fair salary as per the Wage Commission award.
Workers of four private jute mills of the district simultaneously went for work abstention on the same demand but the workers of three other mills joined their duties in the first week of the current month.

WFP gives \$15m grant to Nepal

KATHMANDU, Feb 28: The World Food Programme (WFP) has provided a grant of 15.02 million dollars to Nepal to help implement a programme to provide a daily meal to primary school children, state radio announced yesterday, reports AFP.
The programme was launched in 1989 mainly to encourage girls to go to school, an official of the Ministry of Education said.
An agreement on the grant was signed in Kathmandu Thursday by Nepalese Secretary of Finance Ram Binod Bhattarai and WFP Resident Representative GH Haque, the state radio said.
The agreement, which will run for 52 months starting from April 18 is aimed at helping the Nepalese government in human development projects, particularly the development of primary education.
The programme aims to increase the number of primary school students, particularly girls, by providing a daily meal.
As many parents in poorer areas prefer to keep their children especially their girls, at home to help with chores, officials hope the programme will encourage them to send their children to school, at least some of the time, out of concern to ensure they are properly fed.
A press release from the Ministry of Finance said the WFP grant will benefit 250,000 primary level students in 12 districts from April 18 as well as 200,000 students already covered under the first phase of the programme.
The project is also expected to encourage communities and district authorities to take responsibility to provide increased educational opportunities to girls.



For only five taka, you can buy such a huge piece of turpin at city's Shambazar, says our photographer A K M Mohsin

Financial crisis SEA ministers meet in Jakarta

JAKARTA, Feb 28: Southeast Asian finance ministers met in Jakarta on Saturday for a one-day discussion of the region's economic woes and possible ways to ease the crisis, reports AP.
In addition to the surveillance system, ministers were expected to talk about a proposal to use local currencies for trade in Southeast Asia and whether or not Japan is doing enough to ease the crisis.
There could be informal discussions on a controversial proposal by Indonesian President Suharto to stabilise the devastated rupiah by pegging it to the US dollar through a currency board.
Jakarta is eager to strengthen its currency, which has lost 70 per cent of its value over the past seven months. Prices of food and other necessities are soaring, sparking riots and demonstrations, and officials hope to bolster the rupiah before the unrest spreads.
But the currency board idea is strongly opposed by the International Monetary Fund and some Western countries as a step that could lead to more trouble, and some ASEAN countries are uneasy with the proposal as well.

At the top of the agenda were a proposal to set up a regional economic surveillance system to warn of further financial problems, and progress in implementing reforms recommended by the International Monetary Fund.
Finance ministers from the Association of Southeast Asian Nations gathered at a convention centre for a series of closed meetings. ASEAN includes Malaysia, Myanmar, the Philippines, Singapore, Thailand, Vietnam, Laos, Brunei and Indonesia.
The Jakarta conference comes as Indonesia clearly lags behind the progress being made by its neighbors to recover from the economic slump. Indonesia has endured soaring prices, falling industries and civil unrest.

Chinese building materials industry gets \$6b foreign investment

BEIJING, Feb 28: China has so far introduced six billion US dollars in foreign investment to boost its building materials industry, according to the State Administration of the Building Materials Industry, reports Xinhua.
Foreign investment has been involved in such fields as new building materials, new and high-technology and intensive processing of building materials, said Lei Qianzhi, Deputy Director of the Administration. According to the official, a large number of cement projects financed with loans from the World Bank and the Asian Development Bank have already gone into production.
A gigantic technical transformation project involving sanitary-ceramics production, financed with a loan of 100 million US dollars from Italy, has been going smoothly.
The project includes eight sub-projects in Shaanxi, Shandong, Guangdong, Jilin and Hunan provinces.
The official said that China has signed a number of cooperation agreements with the Netherlands, Germany, Thailand, Greece, Australia, Japan, France and Denmark, ensuring a growing number of foreign partners in the building materials sector.

Japan plans to resume loans to Myanmar

TOKYO, Feb 28: Japan is planning to provide 2.5 billion yen (19.5 million dollars) to Myanmar in official aid, the first since such assistance was suspended following a 1988 military crackdown on a pro-democracy movement, Japanese newspapers reported Thursday, says AP.
The money will be in low-interest official development assistance loans to help Myanmar repair a dilapidated runway at Yangon's international airport, the nationally circulated newspaper Asahi and Nigon Keizai, reported, quoting unidentified government sources.
The resumption would be based on an early 1980s agreement between the two countries calling for Japan to provide 27 billion yen (210 million dollars) in official development aid for the airport project.
Japan suspended the rest of the loans following the crackdown after having already extended 4 billion yen (31 million dollars).
A Foreign Ministry spokesman denied the reports. The Japanese government acknowledges the need for the airport repair but has no immediate plans to help Burma resume the project on a full scale basis, he said.

Benetton executives due today

Diego Menarian, Managing Director of Benetton (Far East) Ltd and Sergio Azzolari, Area Manager, arrive in the city today from Pakistan, says a press release.
They will review the progress of the Benetton Store in Gulshan and plan the opening of stores in Dhanmondi, Uttara and Chittagong.
They will leave for Hong Kong tomorrow.
The Benetton franchise in Bangladesh is operated by the S&Y Company Ltd, a member of the Rang Group of Companies and a subsidiary of Rang Electronics Ltd.

Iraqis to get full food ration

BAGHDAD, Feb 28: The Iraqi government is to distribute the full food ration to all Iraqis for the first time since September, UN humanitarian spokesman Eric Falt said yesterday, reports AFP.
The government will also distribute "the full ration of infant formula of 2.7 kilograms (5.9 pounds) thanks to the utilisation of government stocks," Falt said.
Iraq receives two-thirds of the ration of baby formula from stocks purchased under the UN oil-for-food programme, but has to provide the other 900 grammes from its own resources.
Baghdad suspended delivery of the full ration for several months claiming the impact of UN sanctions, but Washington accused it of playing politics with the welfare of its own people.
"This government stock for infant formula will also be made available in northern Iraq for the first time," Falt said.
He said the move was a "government initiative."
Some Kurdish areas of northern Iraq have escaped government control since Western governments intervened to prevent Baghdad suppressing a Kurdish uprising following the 1991 Gulf War.
They have received a two-thirds ration of baby milk since the adoption of the oil-for-food programme in December 1996.

S'pore extends restrictions to high-tech media

SINGAPORE, Feb 28: The government's ambition for a high-tech society is colliding with its tradition of controlling communications and news media. And Parliament has done something about it, reports AP.
Lawmakers passed an amendment to the Undesirable Publications Act extending restrictions to modern electronic media including CD-ROMS, computer graphics, digital sound and pictures.
That means that technologically hip Singaporeans will find it harder to acquire off-the-shelf pornography and can be prosecuted for possession.
The purpose of this bill is not to review censorship provisions or to change the way we censor books or comics or publications," Information and Arts Minister George Yeo told Parliament. "It is to catch up with multi-media technology, and this is breathtaking."
"Because of technological advancements, the traditional definition of publication can no longer be all written, pictorial or printed matter," Yeo said.
In pressing for greater use of information technology, Singapore has been forced to grapple with easy access to what it calls Western values. This has included pornography, the main target of the legislation.
\$10m fund for African trade
GENEVA, Feb 28: A 10 million dollars fund aimed at helping African countries to participate more effectively in the global trading system and improve export competitiveness will be launched on Sunday, international organisations said yesterday, reports Reuters.
The World Trade Organisation (WTO), United Nations Conference on Trade and Development (UNCTAD) and the International Trade Centre (ITC) said the common trust fund was the first mechanism set up by the three Geneva-based groups.
Initially, funds will be used to help seven Sub-Saharan African countries adopt a regulatory trade framework consistent with the multilateral trading system and to improve their export capabilities.
The seven countries to benefit over a three-year period are Benin, Burkina Faso, Ghana, Ivory Coast, Kenya, Tanzania and Uganda.
"It reflects a strong commitment by the three organisations to coordinate jointly their efforts and resources for the development of African Trade," a joint statement said.
The three organisations developed the fund in response to a call by African trade minister meeting in Tunis in October 1994 to help develop their countries' capacity to participate in the new multilateral trading system.

HK offers Southeast Asians ticket out of poverty

HONG KONG, Feb 28: Like thousands of Asian women, Diana Gallardo left her family years ago to work in Hong Kong as a maid. She was fired last month after seven years because her employer, a single mother of two, could no longer afford her.
For years, a job in Hong Kong has been a ticket out of poverty for thousands of Asians like Gallardo, a 28-year-old registered midwife. The bustling city is home to about 170,000 imported domestic workers, more than 80 per cent of them Filipinos.
Now, Asia's economic problems are increasing pressure on Hong Kong to accept more of the region's impoverished and unemployed. However, Hong Kong

is struggling with its own economic problems, and even some of the workers who are already here might lose their jobs and be forced to leave, says AP.
Across the region, the value of currencies has fallen dramatically — 70 per cent in Indonesia and 40 per cent in Thailand. Prices have soared and unemployment is rising.
Hong Kong's currency, in contrast, is tied to the US dollar and remains strong. That makes the money Asians earn here even more valuable at home.
The minimum monthly wage for an imported maid is 494 dollars (3,860 Hong Kong dollars), meagre by Hong Kong standards. But even before the

current crisis it was five times the earnings of a senior government official in Indonesia, and almost double that of a skilled Filipino factory worker.
Gallardo said both she and her charges cried when she was let go. "I really think of them as my own kids," she said. Back home in the Philippines, her mother, who is recovering from surgery, is waiting for money to help keep the family together.
Hong Kong started importing maids in the late 1970s when the economy boomed and more local women joined the workforce. Since then, hundreds of thousands of Asians have worked in Hong Kong.
It "has become more attractive after the economic crisis,

because the currency in Hong Kong is very strong," said Indonesian consulate spokesman Suhabi Salam.
Indonesian officials are lobbying Hong Kong to triple the number of imported workers to 70,000. Thailand, which must approve the departure of its citizens to work in Hong Kong, has cut the waiting time.
Tony Reynolds, a Hong Kong manpower official, said the territory won't shut the door — but it will let the market determine how many workers will be allowed in. And economically, Hong Kong has its own troubles.
Some financiers have been hurt by bad loans to the rest of the region, and Hong Kong is paying dearly to retain the

value of its currency.
Interest rates have soared. Exports, tourism and retail sales have slumped. The stock market has lost 36 per cent of its value. The unemployment rate is only 2.5 per cent, but people fear for their jobs.
Employment agencies that import Asian labour say business has been cut in half since late winter. Labour unions expect more imported workers will be fired if the slump continues. The government has shelved plans to import construction workers.
"People who were thinking about hiring maids are holding back. They feel unsettled by news of people being laid off in the papers every day," said

Wendy Kwong, who owns an employment agency.
Matonah Maksam, a 31-year-old former English teacher from a Jakarta suburb, was fired when her employer lost her job. She has a new job, but knows it might not last. "At least it's safer in Hong Kong than at home," she said.
Gallardo said her employer fired her to cut expenses because she was uncertain of her own job. The woman moved in with her mother, who can take care of the children.
Gallardo has a couple of weeks to find a new job, or will have to leave.
"I'm worried that I'd be sent home. The money I've saved is not enough for the future," she said.