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The Daily Star
BUSINESS
DHAKA MONDAY, AUGUST 3, 1998

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Maize yet to be popularised in Bangladesh

JESSORE, Aug 2: Maize, a crop with high food value, can be produced commercially in the country because of its multiple use and economic benefit, according to the agricultural experts here, says UNB.

The experts said despite having all agro-chemical potentials in Bangladesh, maize is not yet popular as an important crop in terms of production and as fodder for poultry and cereal products.

They said although crop diversification has been given priority in Bangladesh but the cultivation of maize in large scale was not taken up due to lack of motivational work and publicity by the authorities.

Maize, ranks second after wheat in world cereal production, creates a demand worldwide by farming in more than 70 countries including 55 developing ones.

Various delicious and nutritious foods such as *khai, luchi, puri*, cake, sweets, breads can be made with maize flour. Besides, corn oil is the super edible oil of the world which is extorted from maize and is used for preparing acid, alcohol, paint artificial rubber, gum powder and medicines.

Maize is the only crop which contains magnesium, potassium, sodium, and cholorine together, the experts said.

In case of Bangladesh, the experts found that the demand of maize is high and its cultivation on about 20 lakh acres of land is possible.

It naturally gives highest production during Rabi season but it can be produced in other periods without extra care, they added.

Hilsa output in Gorai, Modhumoti, Padma declines

From Our Correspondent

MAGURA, Aug 2: The production of hilsa in the Gorai, Madhumoti and branches of the Padma has declined sharply during the current season, the fishermen said.

According to sources, the fishermen used to catch a huge quantity of hilsa during the Ashar-Bhadra **season at the** turning points of the rivers one and a half decades back.

The fall in the water level of Gorai and Madhumoti has contributed to the decreasing hilsa production.

Hilsa found in Gorai and Madhumoti are famous for their freshness and taste.

The fishermen in the area said that they were now-a-days facing severe problems due to the fall in hilsa production in these rivers.

EDC regional manager due in city on Aug 16

Regional Manager of Asia Pacific of Export Development Corporation (EDC), Anis Karim, arrives here on August 16 on a four-day official visit to Bangladesh, reports UNB.

During his stay here, the EDC Regional Manager will meet the government officials and the executives of leading nationalised and foreign banks and corporations and local businessmen, said a press release yesterday.

EDC, owned by the Canadian government, provides financial services, including insurance, loans and guarantees to foreign buyers of Canadian goods and services.

Bangladesh is among 50 other emerging markets included in the EDC's new export financing programme.

EDC is considering to finance a number of projects in power, advanced technologies, pulp and paper, telecommunications and railway sectors of Bangladesh.

Asian crisis hits Kazakh foreign trade

ALMA ATA, Aug 2: Kazakhstan foreign trade has suffered a decline in the first half of the year amid a continuous fall in global oil prices and financial crises raging through Southeast Asia and Russia, reports Xinhua.

The period has witnessed a year-on-year 9 per cent drop in Kazakhstan exports, whose main exports are energy and non-ferrous metal, to stand at three billion US dollars, a Kazakh newspaper reported yesterday.

Meanwhile, imports to the central Asian nations, endowed with oil and natural gas, experienced a slight decrease of one per cent to 3.5 billion dollars from the same period last year, with a deficit in foreign trade amounting to 500 million dollars.

Exports to Asian nations in the January-April period were hit hardest by the financial turmoil, compared with the same period in 1997, a plunge, 10 times the amount of exports in ferrous metals, was reported.

Guidelines for boosting shrimp production in the offing

The government is giving due importance to shrimp production and maintenance of its quality because of a special stake this sector holds in the country's export income.

Meanwhile, a national committee has been formed with the Prime Minister as its Chairman considering the importance and development of the fisheries sector in the country, Director General of the Fisheries Directorate, M Liaquat Ali, told BSS here yesterday.

The national committee will also provide policy guidelines and directives to the concerned institutions and organisations for increased production of fish, including shrimp, and maintenance of their quality for export.

He said the national committee would look into proper supply of protein, employment and exports of quality shrimp through increased production from the country's fisheries section.

Ali told BSS that a national executive committee headed by State Minister for Fisheries and Livestock was also formed to actively assist the national committee on the fisheries sector.

"We have already held a meeting of the national executive committee where we have discussed some primary issues relating to problems in the sector and ways to develop this vital side of the national economy," he said.

Liaquat Ali also said that the national executive committee in its forthcoming meeting would frame up an agenda on the problems and prospects of the fisheries sector and it would be placed in the meeting of the national committee for policy discussion.

Official sources said Bangladesh earned Taka 1,347.96 crore in 1996-97 and Taka 1,182.63 crore in 1997-98 till May from fish and fish goods exports. " At least 82 per cent of the total income from fish exports comes from shrimp," the sources said.

But the rate of production of shrimp has not increased upto the expected level although the area of shrimp firm expanded to 1.38 lakh hectre in 1996-97 from 64,000 hectres in 1984-85, the sources said adding, the coastal belt of the country is very conducive for shrimp culture.

At this backdrop, the sources said, the government established six shrimp hatcheries which created interest among the private entrepreneurs. They have come forward with their own initiative and already established many shrimp hatcheries.

The Director General of the Fisheries Directorate said that the government would provide due facilities including credit to the private entrepreneurs to make such an initiative more dynamic and expeditious.

The shrimp sector in Bangladesh needs 300 to 400 crore shrimp fries annually and most of which are collected from the natural sources. "We have to ensure production of shrimp fries through establishing more hatcheries to reduce pressure on the natural sources," he said.

Referring to the outbreak of virus attack in the shrimp production in 1994, '95 and '96, officials of the fisheries directorate said the virus attack had led to shrimp epidemic due to import of shrimp fries with virus, unplanned management of shrimp firm and bad atmosphere in the firm areas.

Liaquat Ali said the government has already banned import of shrimp fries and taken measures including expansion of the fisheries directorate and training of fisheries officials and employees at the field level to check various diseases including virus.

The government will also use modern certificate system during the fifth five-year plan period to ensure quality of exportable shrimps and other fish.

Besides, the official sources said, modern technology will be applied in shrimp culture in place of the traditional system side by side encouraging private hatchery establishment and developing proper management system for shrimp production in the country.

Meanwhile, the Ministry of Fisheries and Livestock as per decision carried out reform and modernisation work at the laboratories of the fisheries directorate at Dhaka, Chittagong and Khulna to ensure quality of exportable frozen shrimp as per the demand of the European Union.

The European Union, which imposed a ban on Bangladeshi fish and shrimp export in July last year due to the negligence of the previous government to this sector, ultimately withdrew it after competent authority evaluated the fish processing plants.

So far, the European Union (EU) withdrew ban from 17 fish processing plants, the official sources said adding, the EU will withdraw ban from more such plants in future.

The Ministry of Fisheries and Livestock has urged all concerned to strictly follow all rules and regulations for the stability of this vital sector in the greater national interest.

IFC invests $55.2m in Khulna power project

The International Finance Corporation is investing 55.2 million dollars in Khulna Power to build, own, and operate the first independent power plant in Bangladesh, says a press release.

The 110-megawatt power plant is expected to be operational as early as September this year.

The project located near Khulna will help reduce severe power shortage in the country.

The power plant will initially run on residual fuel oil from an international fuel supplier and convert to natural gas. The plant, which uses proven diesel generation technology, will be mounted on two barges holding diesel engine generators.

The output will be sold to the Bangladesh Power Development Board under a 15-year power purchase agreement.

Vivek Talvadkar, Director of IFC's Power Department said that the success of this first independent power producer in Bangladesh would provide a prototype for others to emulate "private sector participation in power generation will greatly reduce the need for public investment and avoid the high costs incurred by expensive generation at existing power plants," the release quoted him as saying.

IFC's financing package includes an equity investment of 3.3 million US dollars, a loan of up to 22.5 million US dollars for IFC's own account, and a syndicated loan of up to 29.4 million US dollars for the account of participants.

Wartsila NSD Corporation is the project's main sponsor. It is a subsidiary of Metra Corporation of Finland and is the world's leading designer and manufacturer of medium-speed diesel engines for power generation.

The two local partners are Summit Industrial and Mercantile Corporation (Pvt). Ltd and United Enterprises & Co Ltd.

IBM pleads guilty to illegal computer sales to Russia

WASHINGTON, Aug 2: A Moscow-based subsidiary of the US computer giant IBM pleaded guilty here to illegally selling high-performance computers to a Russian nuclear weapons laboratory, news media reported yesterday, says AFP.

The company will pay an 8.5 million dollar criminal fine, as well as 171,000 dollars in civil penalties from the Commerce Department, according to reports.

IBM East Europe/Asia Ltd. admitted in a US district court Friday to criminal charges in the sale of 17 computers to the laboratory in 1996.

US rules limit foreign sale of high-power computers that can be used to design weapons or simulate weapons tests.

US Senate confirms Richardson as Energy Secy

WASHINGTON, Aug 2: The Senate confirmed Friday Bill Richardson as the next US Energy Secretary approving his nomination moments before adjourning for its August recess, reports BSS.

Richardson will soon leave his post as US ambassador to the United Nations to head up the Department of Energy (DOE) a position recently vacated by Federico Pena.

He will not report to the DOE right away, but instead will take a long delayed vacation with his family. A Richardson spokesman was not sure if he would be sworn in by Labour Day.

Several senators had threatened to block Richardson's nomination unless he was given the authority to solve the unclear waste problem.

Rahimafrooz, TATA BP join hands to popularise solar energy

Star Business Report

Rahimafrooz Bangladesh and TATA BP Solar India Limited have joined hands to popularise solar energy and develop the market with latest technology and products.

Rahimafrooz, a leading battery manufacturer and industrial house in Bangladesh, has nursed for several years, an interest in solar, says a company press release.

They have found in TATA BP a reliable and committed partner to bring state of art solar solutions to the country.

TATA BP Solar is a joint venture of BP Solar UK, a world leader in technology and production of Solar Photovoltaics (PV) and a reputed house of TATAs.

TATA BP is involved in manufacturing solar cells, solar modules, solar PV systems and solar hot water systems for diverse applications.

Engineers and technicians of Rahimafrooz have been trained at world class facilities of TATA BP in Bangalore of India.

TATA BP has deputed an experience engineer to Rahimafrooz for six months.

AK Vora, Managing Director and K. Subramanya, Vice President - Sales and Marketing of TATA BP, are visiting Dhaka to further support and cement the relationship.

Several organisations in Bangladesh such as REB, Power Cell, LGED, Grameen Shakti and other NGOs are also active in promoting solar energy.

Visitors at the Barudan Exhibition 1998 to see latest model computerised embroidery machine and punching system from Barudan Japan. The two-day exhibition, jointly organised by Barudan Asia Pte Ltd and Texas Resources Ltd. at Sonargaon Hotel, ended yesterday. — Star photo

Training course at LGED

A 25-day training course on "Application of GIS and Remote Sensing to Location Planning for Basic Infrastructure and Services" begins here today, reports UNB.

Local Government Engineering Department (LGED) will organise the course in collaboration with International Centre for Integrated Mount Development (ICIMED) at LGED Bhaban.

Chittagong Hill Tracts Affairs Minister Kalpa Ranjan Chakma will inaugurate the course, said a press release.

Economic Relations Division of the Ministry of Finance and World Food Porgramme (WFP) will hold another programme on "Expanded Food Assisted Development Programme for the Chittagong Hill Tracts Region" at the LGED conference room at 3 pm today.

Finance Minister Shah AMS Kibria will preside over the programme.

Minister rejects demand for moratorium on unionism

Labour and Manpower Minister MA Mannan has refused the demand of industrialists to impose a moratorium on trade unionism, reports UNB.

"Moratorium on trade unionism is against the ILO convention and our Constitution," he told a BCI delegation when they called on him at the Manpower Bhaban here yesterday.

President of Bangladesh Chamber of Industries (BCI) Sharif M Afzal Hossain led the delegation.

Mannan said the government has constituted a committee to examine and modify the labour laws.

"Only laws cannot ensure everything," he said emphasising the need for proper application of laws.

The BCI President said Bangladesh is going to enter the global competition as a member of World Trade Organisation (WTO). "If we cannot develop our industrial base by this time, our country will be turned into a market of foreign finished goods," he added.

The delegation members included BCI directors MA Shahid, Dr Jahangir Alam, Liakat Ali Bhuiyan, BCI Secretary Quazi AK Refaul Huq and officials concerned.

Habibie needs more time for strong economic growth

JAKARTA, Aug 2: New President B J Habibie said he needs three years to restore the economic growth levels Indonesia had achieved before being hit by the worst economic crisis in three decades, reports AP.

Habibie likened Indonesia's economy to an airplane that has been flying at a low altitude.

Mumbai Interbank rate 7.27 pc

BOMBAY, Aug 2: The Mumbai Interbank Overnight Rate (MIOR) was 7.27 per cent at 0940 local time (0410 GMT) today, reports Reuters.

The rate is an average of dealt rates for overnight call money from 25 institutions, including banks, primary dealers and financial institutions.

Egypt's monopoly tobacco co to boost output

CAIRO, Aug 2: Egypt's monopoly tobacco company, Eastern Tobacco, said it plans to increase production by 15 per cent during fiscal 1998-1999 to meet growing local demand despite Cairo's plans for an anti-smoking campaign, reports AFP.

A company official told AFP that Eastern Tobacco will produce 60 billion cigarettes during the fiscal year ending June 30, 1999, an increase of 15.3 per cent.

The tobacco giant, 66 per cent state-owned, has a monopoly on making domestic cigarettes and produces foreign brands under licence it also controls 50 per cent of the market for all other tobacco products in Egypt, notably tobacco for water-pipes.

News of the increase comes close on the heels of an announcement Wednesday that Egypt will spend 300,000 dollars to launch a nationwide anti-smoking campaign.

Hamdi-Al-Sayyed, head of the National Association of Physicians, said that the government would give the money to his group for a campaign aimed at the children as well as "clubs, schools and universities."

"More than seven million Egyptians smoke, according to figures released last year by the health ministry.

Eastern Tobacco's earnings jumped to 558 million dollars during the fiscal year just ended, compared to 447 million dollars the previous year.

The company reported net profits last fiscal year of 46 million dollars, up from 44 million dollars in the previous period.

Eastern Tobacco's exports abroad have also jumped, topping 13 million dollars in the last fiscal year.

Most of the company's exports to Kuwait, Saudi Arabia, and the United Arab Emirates, it also sells to Russia, the United States and Central Europe.

Industry suffers effect of slowdown

India starts disinvestment in Sept

NEW DELHI, Aug 2: India will start selling shares of state-owned enterprises (SOFs) in September to raise 1.3 billion dollars, Finance Minister Yashwant Sinha said here, reports AFP.

"We will go to the market in September to start the disinvestment process and we are confident of making it a success," Sinha told reporters here.

The government would tap both the global and domestic markets in the sale of four public sector units including Indian Oil Corporation and Telecommunications Firm Videsh Sanchar Nigam Ltd, he said.

Junior Industry Minister, Sukhbir Singh Badal, said efforts to sell off major chunks of state-run firms were being snared in red tape.

The ruling Hindu nationalists favour an overhaul of state-run firms but oppose too much globalisation, arguing some Indian enterprises need more time to modernise before being faced with overseas competitors.

New Delhi's share sell-off of state-owned companies has been going through a bumpy ride for the past couple of years. In the fiscal year to March 1997 the government realised only 10 per cent of its target of 1.4 billion dollars.

The finance minister also said his government would soon announce steps to pull the economy out of a slowdown.

"The government will review the performance of various industry groups and fight recession by taking additional steps.

"The economy is showing signs of a revival and industry is expected to grow by eight to 10 per cent despite the poor first quarter results," he said.

Almost 100 companies have so far announced their results for the first quarter of the fiscal year, and several conglomerates such as Tata Steel, Tata Engineering and Associated Cement reported huge losses.

Analysts said 60 per cent of the firms had posted bad results. "The results are mixed ... while consumer durables have done well and the returns were good, certain areas had not performed to expectations."

A Bangladesh Chamber of Industries (BCI) delegation led by its President Sharif M Afzal Hossain held a meeting with Minister for Labour and Manpower MA Mannan at the Manpower, Employment and Training Bureau yesterday. — BCI photo

Major Asian currencies end week down against dollar

HONG KONG, Aug 2: Major Asian currencies slumped against the US dollar last week, dragged down by the yen's slide as new Japanese Prime Minister Keizo Obuchi struggled to find a finance minister, reports AFP.

JAPANESE YEN: The yen fell against the dollar as new Finance Minister Kiichi Miyazawa dashed hopes for Japan's yen-buying intervention, dealers said.

The Japanese unit stood 143.77-80 to the dollar late Friday, down from 140.53-55 to the dollar a week earlier.

On Monday, the yen tumbled into the 142-yen range when the Prime Minister-designate Keizo Obuchi struggled to find a finance minister prepared to take on the grim task of pulling the nation out of recession.

Obuchi took office Thursday and named 78-year-old former Prime Minister Miyazawa as Finance Minister.

The yen took another plunge to hit a low of 143.87 Friday after an apparently anti-interventionist comment by Miyazawa.

"The market is cleverer than the government and things can be left to the market," Miyazawa told a news conference.

AUSTRALIAN DOLLAR: The soft Australian dollar would be influenced in the week ahead by the Japanese yen and prospects of an interest rate cut at home, analysts said.

The local currency was trading at 61.14 US cents Friday from 61.92 US cents a week before.

Rothschild Australia Treasury manager Paul Macarounas said the weakness in the yen would limit any Australian dollar rallies in the short-term.

But he said he did not think the 'Aussie' would fall away dramatically.

Citibank chief economist Stepheh Koukoulas said there was a 50 per cent chance of an easing in interest rates at the central bank's meeting Tuesday.

"The Reserve Bank of Australia is likely to ease monetary policy, but not this month," he said.

"They will await more information on private demand and imported inflation, plus possibly some consolidation in the Australian dollar."

On the Reserve Bank of Australia's trade weighted index, the Australian dollar closed the week at 57.3 from 58.2 a week before.

HONG KONG DOLLAR: The Hong Kong dollar closed Friday at 7.7465-7.7475 against the greenback compared with 7.7457-7.7485 last week.

INDONESIAN RUPIAH: The Indonesian rupiah was steady Friday at 13,100 to the dollar, down slightly from its close on Thursday of 13,050. It closed the previous week at 13,800.

Caution on the rupiah set in after news that donors had pledged 7.9 billion US dollars in loans to Indonesia to help the country rise from its crisis, dealers said.

Indonesia's economic minister Ginandjar Kartasasmita has said the loan would help push rupiah higher to the 10,000-level.

MALAYSIAN RINGGIT: The Malaysian ringgit ended weaker at 4.1450 to the dollar from 4.1300 a week earlier.

A dealer said the ringgit is expected to trade within a narrow range amid offshore buying support for the Malaysian currency.

"The ringgit is expected to hold the current level and track the yen," the dealer added.

NEW ZEALAND DOLLAR: The New Zealand dollar closed Friday at 51.46 US cents, down from the 52.09 cents closing a week earlier. It ended the week trading in a narrow range.

"Every currency has been quiet," a dealer said and noted the month's end had an impact.

PHILIPPINE PESO: The Philippine peso closed 42 pesos to the dollar on July 31, down 0.3 per cent from 42.11 peso to the dollar rate posted on July 24.

SINGAPORE DOLLAR: The Singapore dollars faded lower over the week at 1.7260 against the US dollar from 1.7100 the previous week amid expectations that the Singapore economy would fall into recession in the second half of 1998.

SOUTH KOREAN WON: South Korea's won strengthened from 1,245 won per dollar a week before to 1,234 won Friday as the country's current account surplus piled up.

The won rallied Tuesday to break the 1,200 won level for the first time in eight months, prompting officials to hint that the government may intervene to stabilise the currency.

TAIWAN DOLLAR: The Taiwan dollar dropped 0.2 per cent against the greenback over the week to settle at 34.415 Saturday dragged down by the yen's weakness.

Analysts expected the currency to fall further if the yen continued to weaken.

The currency stood 34.409 Monday and moved up during the week to 34.376 Tuesday, 34.332 Wednesday and 34.330 Thursday before sliding to 34.369 Friday.

THAI BAHt: The Thai baht failed to respond to the weakened yen, remaining stable and closing Friday at 40.85-95 baht to the dollar, against 40.85-41.00 a week earlier.

The baht was sustained by decreased demand for the dollar from importers, and foreign capital inflow for joint investment or buying up Thai stakes, analysts said.

FedEx earnings increase

FedEx Corp. has reported fourth quarter earnings of $1.14 per share and record earnings of $3.91 per share for the full year excluding merger expenses, says a press release.

Revenues for the fourth quarter were $4,078.0 million, 2.9 per cent higher than the fiscal year's $3,961.2 million and 11.0 per cent than the calendar years $ 3,673.8 million.

Net income for the quarter was $170.7 million or $1.14 per share excluding merger expenses.

For the full year, revenues were $ 15.9 billion, 11.5 per cent higher than the last fiscal year's $14.2 billion and 11.3 per cent than the calendar year's $ 14.3 billion. FY '98 net income excluding merger expenses was $582.7 million.