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**Pilots' strike enters fifth day
Northwest begins
laying off
employees**

MINNEAPOLIS, Sept 2: Dispatchers and meteorologists were the first to go as Northwest, entering the fifth day of a pilots' strike, began laying off other employees.

The company laid off 177 workers Tuesday and was to decide Wednesday whether more would have to leave. Company officials said many of Northwest's 50,000 employees could be affected.

"Laying off flight attendants is only going to make it more difficult for the company to get back on its feet quickly," said Craig Merrilees, a spokesman for the flight attendants' 11,000-member Teamsters Local 2000.

Robert Lattery, a meteorologist at Northwest's Twin Cities hub, said he received his notice after his overnight shift ended at 8 a.m. He wasn't surprised, since his job is to tell pilots where bad weather is located so planes can avoid thunderstorms and other turbulence.

The employees were told they will not be paid for time lost and they are not to report for work until called back by the airline.

"We had been expecting this," Lattery said. "I was there last night and there was little or nothing to do."

Lattery, who has worked for Northwest for 13 years, said he supported the pilots.

**Workshop on UCPDC
500 and Payments
under CHIPS held**

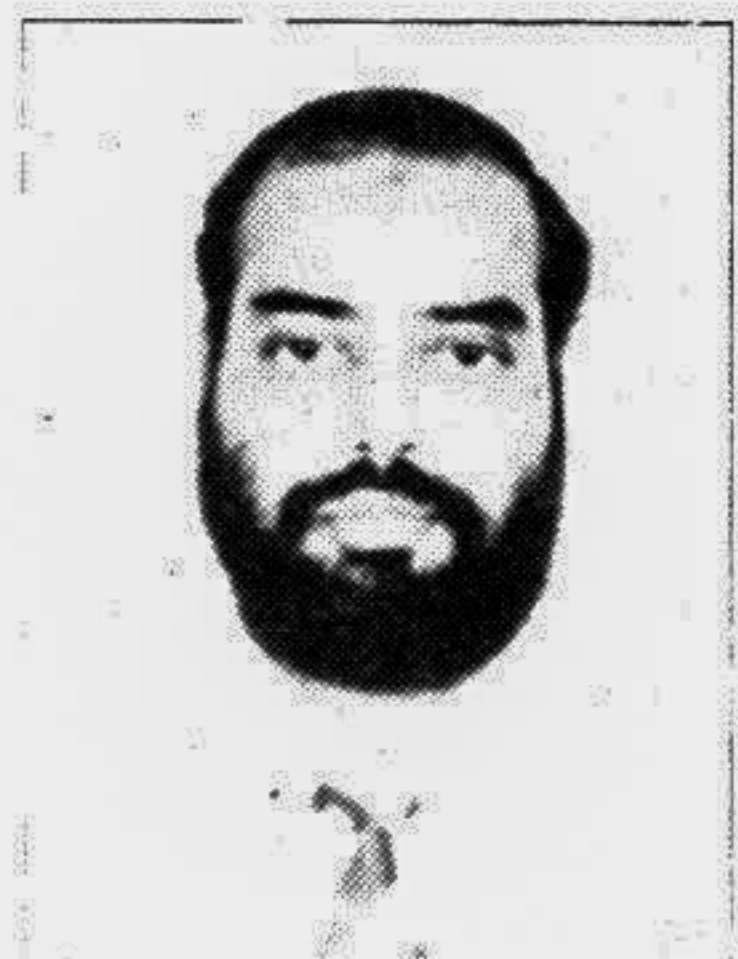
The Institutional Banking Division of Standard Chartered Bank Bangladesh, which handles the bank's correspondent banking business, organised a workshop on "UCPDC 500 & Payments under CHIPS" for the junior and mid-level officials of Agrani Bank on Sunday, says a press release.

Geoff Williams, Chief Executive-Bangladesh of Standard Chartered Bank, inaugurated the workshop. In his address to the participants, he said that the workshop was a significant opportunity for them to prepare for the challenges of the next millennium.

A K M Abdul Basit, General Manager of Agrani Bank, was the guest of honour at the workshop. He said that the workshop would greatly enhance essential knowledge and skills amongst the participating officials of his bank.

The workshop was conducted by Dr. Toufic A Choudhury, Faculty Member of BIMB, Mamun Rashid, head of Treasury & Institutional Banking, A K Paul, Manager-Trade Finance and Kanti Kumar, Relationship Manager, Institutional Banking, of Standard Chartered Bank.

A total of 18 Agrani Bank officials participated in the workshop.



Enamul Hoq

**New chairman
of Federal
Insurance**

Star Business Report
Enamul Hoq has been elected chairman of Federal Insurance Company Limited at meeting of the Board of Directors.

The Board also elected Alhaj Sabirul Hoque and Alhaj Nurul Alam vice chairman of the company, said the firm in a press statement received on Tuesday.

Alhaj Rafiqul Anwar, MP, has been elected Chairman of the Executive Committee of the Board.

Enamul Hoq is the Chairman of Senco Fertilizer Ltd and Director of Sino-Banga, Central Hospital and Paradise Corporation (Pvt) Ltd.

Member of Parliament Alhaj Rafiqul Anwar is the founder of Nanupur Laila Kabir Degree College. He is the Chairman of Golden Inn Group of Companies.

Alhaj Sabirul Hoque is the Chairman of Shapla Ship Breakers Ltd and Managing Director of Dada Salt Factory, Noor Oil & Food Products Ltd and Arafa Ltd.

Alhaj Nurul Alam is the Managing Director of Ronson Knitting Ltd & Chittagong Paddling Ltd and Chairman of Dress Design Ltd & RANL Design Ltd.

**Unauthorised exports of frozen fish alleged
BFFEA warns of consequences**

By Govinda Shil

Some unscrupulous traders are exporting fish illegally to Europe and North America violating EU and US health regulations, the exporters' association alleged.

These traders do not procure health certificates from relevant departments in Bangladesh and other documents required to export frozen fish to these countries.

Importers in the United Kingdom have recently told the Bangladesh Frozen Foods Exporters Association (BFFEA) to take initiatives to stop shipment of such unauthorised fish or face another ban by the EU.

BFFEA has warned the government of serious consequences for the industry, which fetches Tk 1400 crore annually through exports.

These traders are also alleged to have been using the names of the frozen food processing plants authorised by the EU and United States Food and Drug Administration (USFDA), BFFEA sources said.

BFFEA brought the matter to the notice of the fishing ministry, Customs authorities and National Board of Revenue nine months back but no action has been taken so far. "They are

only writing to each other to delay any action against the corrupt traders," a BFFEA official said.

Often these exporters wrap fish bags with vegetable to pass through the Customs check point. Some frozen food exporters alleged Customs officials might be collaborating with the unscrupulous traders.

"If allowed to continue, such fraudulent practices may jeopardise our fish exports to the EU and the USA," said Gislam Mostafa, president of the BFFEA.

When contacted Satish Chandra Roy, the state minister

for livestock and fisheries, said he would be looking into the matter soon. "I will take necessary action to stop the illegal trading," he told The Daily Star.

BFFEA president himself detected such unauthorised fish trading in the UK recently. He saw some of the traders were using fake stickers of well-known, reputed fish processors.

The fisheries department has so far authorised 17 frozen food processing plants, which are certified to have been maintaining the EU health regulations.

Doubt cast over full implementation

310 investment proposals registered with BOI in two months

Some 310 investment proposals were registered with the Board of Investment (BOI) during July and August showing a growing interest among local and foreign entrepreneurs, reports UNB.

The proposals included 28 joint ventures or 100 per cent foreign investment and the rest from local entrepreneurs.

The foreign investment proposals came from entrepreneurs of Italy, USA, Singapore, UK, South Korea, Taiwan, Japan, Germany and Pakistan.

"It is unlikely that all the proposals will be materialised," said Zahid Hossain, acting Executive Chairman of BOI. "We shall provide all the backup services to investors so that they won't need to move from one place to the other for implementation of the projects

registered with us."

He said the proposed investment will be made outside the Export Processing Zones.

The BOI acting chief executive said they recognized the problem of non-availability of land in areas having infrastructure facilities.

"We will soon have industrial parks for the entrepreneurs in different parts of the country. The industrial parks are being developed in areas where gas, electricity, water and easy communication facilities already exist," he said.

The BOI officials said they have already selected a number of sites for industrial park in Bogra, Sirajganj and along the Dhaka-Aricha and Dhaka-Mawa highways.

A survey conducted in January-February this year showed that out of 1,932 investment proposals registered with BOI in 18 months from July 1996 to December 1997, 38 projects resumed production, 9 were ready for production, 64 were in different stages of implementation while 94 did not make any physical progress.

The report identified obstacles facing the process of implementation of projects as non-availability of industrial plot, electricity, bank loan, cumbersome customs procedures, interference by local musclemen, port problems, bureaucratic redtapism, telecommunication, rent seeking and corruption.

"We are trying to remove all the hindrances," said the BOI official.

He expressed the hope that investment proposals registered with BOI would be implemented in due course.

The areas proposals put forward during July-August sought investment in: Leather shoes, insole counters and toe puffs, LPG bottling plant, lubricant blending and packaging plant, container terminal, human resources development, colour TV VCR, sweater, acrylic yarn, dyeing finishing, textile spinning automobile servicing and repairing and lubricants and grease, electronic items, hotel and restaurant, washing plant, film processing and developing, garments, disposable syringe, three wheeler assembling, spooling thread, GI pipe, fish hatchery, jewellery and mineral water.

Wall Street bounces back

NEW YORK, Sept 2: Wall Street snapped back yesterday from Monday's free-fall with a rally reminiscent of the bull market's most resilient performances, reports Reuters.

But debate raged over whether the gains presaged an end to the global markets slide, and to be sure, outside the United States the picture was mixed.

The US rally sparked recoveries in Brazil, where stocks spiked nearly 7 per cent higher and in Argentina, whose main index registered a jump of 8.8 per cent. Canada finished with only slender gains and stocks fell in Venezuela.

Earlier in Europe, markets were broadly lower in response to what had been an uncertain start to the US session.

Even among many who regarded Monday's slide as an increasingly attractive buying opportunity, bullishness was tempered.

"The market still has some hurdles," said J Morgan securities equity strategist Douglas Cliggott. "But unlike a couple of months ago, we think the majority of the US market is now priced for a less than picture-perfect world."

Taken by itself, the US stocks rally was an impressive showing.

A day after suffering its second-largest point loss ever, the Dow Jones industrial average responded with a surge of 288.36 points, or 3.8 per cent to 7,827.43, its second-largest point gain. The technology-heavy Nasdaq composite index also bounced back, posting a record 75.84 point gain to end up 5.1 per cent.

The Dow's show of strength

was eclipsed in point terms only by a 337.17-point burst on October 28, 1997, also a Tuesday session and one that directly followed the Dow's standing record 554.26 point tumble.

The gain in stocks were accompanied by a retreat in US treasuries. The benchmark 30-year bond, which has served as the equivalent of a bomb shelter in recent sessions, fell more than a full point, driving the yield back up to 5.35 per cent.

Early in the session, a chorus of Wall Street voices counselled buying on the lows created by

**UN calls for
food aid to
Cubans**

UNITED NATIONS, Sept 2: The UN World Food Programme (WFP) Tuesday appealed to the international community for food aid worth 20.5 million US dollars for Cubans suffering severe shortages caused by the worst drought in decades, reports Xinhua.

About 615,000 victims of the most vulnerable people in Cuba's five eastern provinces urgently need emergency assistance for the nine months until the next harvest in May, the WFP said in a press release.

Crop and livestock losses caused by the El Nino phenomenon this year are expected to total 275 million dollars, according to WFP figures.

The drought-prone eastern provinces have been hardest hit for the second year, recording an average of only 40 per cent of normal rainfall for the driest year in 35 years.

the six-week slide in US stocks. As on Monday, the main market story was the market itself. Investors appeared to spend little time reflecting on US President Bill Clinton's summit in Moscow with Russian President Boris Yeltsin.

Some comforting words did come from the federal level late Monday, when US treasury secretary Robert Rubin said US economic fundamentals were still strong.

But there was no indication Washington or in particular the Federal Reserve, was seriously considering market cries for easier monetary policy.

With economic growth running at a moderate pace in the United States and the nation's employment picture still stronger than the Fed would prefer, it is far from clear that any cut in interest rates is likely. Even so, many analysts believe a move by the Fed would be welcomed by the Clinton administration and could serve as a prelude to a round of interest rate cuts by central banks around the world and go a long way to quelling the jitters.

"I bet treasury wouldn't mind Greenspan cutting interest rates," said Sun Won Sohn, chief economist at Norwest Corp. in Minneapolis. "We're not trying to stimulate the economy, we're just trying to tranquilize the world markets here."

With some economists warning of a growth slowdown because of the market turmoil, focus intensified on the Group of Seven (G7) leading industrial nations for signs of a response to the financial crisis or the economic chaos in Russia.

**Tata Group scraps
private airline
project**

NEW DELHI, Sept 2: Indian industrial giant Tata Group yesterday angrily withdrew long-standing plans to set up a private domestic airline, blaming official stone walling for killing off the project, reports AFP.

"For one reason or another it has been delayed and deferred. We are not going to wait any longer," said one Tata director Sujit Gupta.

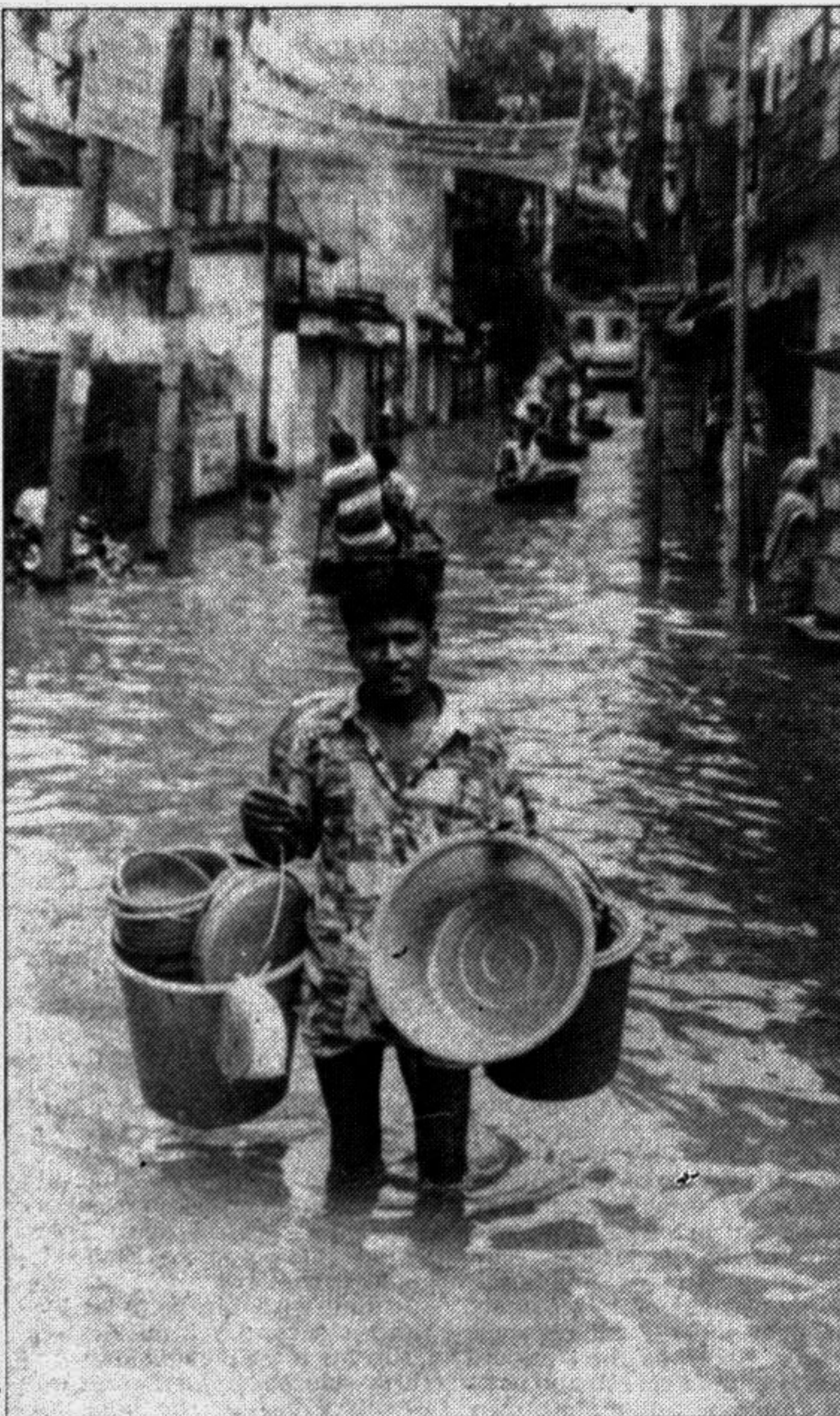
In a statement, Tata said it had been forced into the decision by the inability of the ministry of civil aviation to give "a credible time-frame for a decision" on the proposal.

The entire episode had brought no credit to the government of India among foreign and domestic investors," the statement said, questioning whether the ministry was serious about allowing competition in the airline industry.

Official approval of the 780-million-dollar plan, involving equity participation from Singapore and US partners, has constantly been deferred, with opponents arguing that it violated regulations on foreign investment in India's aviation sector.

Airline unions had threatened to strike if the plan was adopted, saying it would mean job losses in state-owned domestic carrier Indian Airlines, which is already struggling with steep declines in passenger volume.

The controversy has cut across party lines, dividing pro- and anti-market reformers inside and outside the government.



BREAD-EARNING BY BRAVING BAD FLOOD: Flood water in most of the affected low-lying areas in the city has, now-a-days, been seriously disrupting business activities and normal life. The picture shows one such victim who finds it hard to go from door to door to sell household utensils by wading through knee-deep waters.

— Star photo by Sk Enamul Haq

**More Volvo cars
in Bangladesh**

Star Business Report

Volvo, one of the most popular cars in Europe, will be more visible in the city streets very soon.

The Swedish car's importers in Bangladesh say they have already sold 18 and another 20 in the pipeline.

In a market that is traditionally dominated by Japanese cars, Volvo becomes the third major European brand to have entered the local market recently, after Fiat of Italy and Peugeot of France.

In Bangladesh, the executive class car will cost between Tk 20 lakh and Tk 70 lakh, depending on power of engine and model, said officials of A 1 Trade Centre, the importer.

They claimed that they had been bringing the car from Goteborg, Sweden, contradict-

ing rumours that these cars were being assembled in Singapore. "Volvo does not have any assembly plant in entire Asia," said Rick Haque Sikder Chairman of A1.

Out of the 20 in the pipeline, the ministry of foreign affairs is buying 15 cars with 2000 cc engines. The price of each car will be Tk 25.5 lakh, including duty and tax, they said.

Rick and Ron Haque Sikder, managing director, spoke to journalists yesterday.

While presenting various advantages of the car, Rick Sikder said that Volvo had the highest possible safety standards. "The spare parts of the car will also be available in the local market," Rick Sikder said.

**Tea prices sharply down
at Ctg auction**

CHITTAGONG, Sept 2: The weekly tea sale here yesterday experienced a sharp decline in price for all grades following much less demand from all sections of the market, reports UNB.

Polish buyer operated at much reduced levels whilst Pakistan buyers operated only for a handful of teas also at much lower rates, market sources said.

Afghanistan was absent and there was virtually no interest from Russia. Blenders and internal buyers operated selectively. Dusts were also an easier

market. CTC Leaf: 13,241 chests, 12,110 gunny sacks and (89 chests of old season) on offer met with much less demand at lower rates.

CTC Brokens: Bold and large Brokens once again met with a limited demand at easier rates selling between Tk 60 and 61 with considerable withdrawals.

All other Brokens met with much less enquiry and initially sold at a drop of Tk 5 but with the progress of sale declined by Tk 8 to Tk 10. There was also heavy withdrawals.

Business Briefs

**Jordan's sales tax
revenue down**

AMMAN: Proceeds from sales taxes fell 11.7 per cent to 154 million dinars (\$217 million), in the first half of 1998 compared with the January-June period in 1997, the Finance Ministry said Sunday.

But revenues from customs increased 11 per cent to 134.6 million dinars (\$189.6 million), it said.

Economists blamed the fall in sales tax revenue to weak economic growth.

The Jordanian economy grew just 0.8 per cent in 1997 after showing no growth the previous year. The economy grew 4 per cent in 1995. Inflation currently is estimated at about 6 per cent.

**Garuda Indonesia
to lay off 3,000**

JAKARTA: Flag carrier Garuda Indonesia will lay off at least 3,000 of its nearly 13,000 workers beginning in early October, a newspaper reported Wednesday.

The employees are being dismissed as part of a massive restructuring programme. The Jakarta Post quoted Robby Djojan, president of the airline, as saying.

The debt-laden airline has fallen victim to Indonesia's worst economic turmoil in decades. With 80 per cent of its operating costs in dollars, Garuda has been hit hard by the rupiah's sharp fall over the last year.

Djojan said Tuesday that the layoff process would be gradual and some workers might be moved to Garuda subsidiaries.

**S'pore faces stiff
economic questions**

SINGAPORE: Parliament members have prepared tough questions for Friday's session on what the government plans to do for Singaporeans facing higher prices, lower wages and the growing possibility of unemployment.

Questions about continued aid to Indonesia and demands for specifics on Singapore's many disputes with neighbouring Malaysia are also on the order paper made public Wednesday.

Singapore's government and parliament have been dominated for 33 years by the People's Action Party, and questions put to Cabinet members are seldom controversial, except for those from the handful of opposition and nominated members.

But worries about everything from the increased cost of driving in Singapore's central business district to the possible threat that Malaysia will reclaim possession of an offshore lighthouse are reflected in the questions set for discussion Friday afternoon. Some of the toughest, about unemployment rates, job retraining, and price increases are coming from governing party members.

Yu-Foo Yee Shoon wants to know exactly what the latest unemployment figure is.

The Ministry of Manpower has said it was 2.3 per cent last month, a little higher than March's 2.2 per cent.

**Ukraine may get IMF
loan this week**

KIEV: With Ukraine struggling to avoid economic meltdown in the wake of Russia's financial crisis, national leaders stressed Tuesday the need for quick approval of a 2.2 billion IMF loan.

"Approval of the loan would support Ukraine both politically and economically, and would serve as confirmation by international financial institutions that Ukraine is a country to do business with," President Leonid Kuchma told reporters in Kiev.

Kuchma's remarks followed the Ukrainian leader's telephone conversation with US Vice President Al Gore on Tuesday in which Gore lent his support for granting the loan, and with the International Monetary Fund chief Michel Camdessus on Monday.

The IMF was to consider the loan to Ukraine at the end of the August, but the board meeting was delayed over the need to study possible effects of Russia's financial crisis on Ukraine.

Ukraine, which exports more than \$10 billion worth of commodities, or a third of its total exports, to Russia, has been among the countries hit hardest by the turmoil in the Russian financial markets.

The hryvna currency has been falling steadily in the past two weeks and has already reached the upper limit of a government-set currency fluctuation band of 1.8 to 2.25 to the dollar.

— AP reports

Internet World show in India draws thousands of cyberbuffs

By Durga Ray

NEW DELHI, Aug 27: In the colourful, pulsating electronic beehive that the Indian capital is home to these days, words like Java, Internet, webpage, links and e-commerce are fast becoming essential parts of everyday parlance.

On the very first day of a three-day fair, called India Internet World '98, an estimated 4,000 people, from business executives in pinstripes to teenyboppers in torn jeans and T-shirt, descended on the fair ground to sample the latest offerings from cyberworld.

Among those who are showcasing their wares are global giants like Microsoft, IBM, Hewlett Packard and Apple. The major Indian outfits like VXL, Wipro and the Videsh Sanchar Nigam Limited (VSNL) -- currently the sole Internet Service Provider in the country -- too are making their presence felt. The international cyber-

show and the thousands it is attracting are a pointer that in just over three years commercial Internet access has been around in the country, it has already come of age. According to VSNL, today it boasts of 120,000 Internet subscribers -- from a total of just 703 in August 1995!

"Our mission is to accelerate the usage of the Internet in India by creating awareness through trade shows, conferences, research and online information services," Micromedia CEO Prakash Gurbaxani told IANS.

The fair, scheduled to be held every year, has been organised by the Bangalore-based Micromedia, which is a division of IT major Microland, in association with Mecklermedia, a U.S.-based company which organises such trade shows and conferences across the world.

"Close to 4,000 visitors have come here on the first day. The attendance has been great to

day," Gurbaxani beamed. In the huge pavilions littered with computers -- 1,000 of them connected to the Net -- people sat hunched, some surfing the Net, others learning more about what every player in the market had to offer.

A huge turnout is expected when Indian-American Sabher Bhatia, the brain behind the hugely popular Hotmail which he sold to Microsoft, makes a presentation.

The exhibition was opened by N. Chandrababu Naidu, the computer-savvy Chief Minister of the southern Andhra Pradesh state, who detailed the ambitious cyber plans for the state.

Among the professionals, the buzz words are e-commerce, Intranet and the new IT policy of the Indian government which envisages removal of the monopoly of VSNL, the sole

government-run Internet access provider to include private players. Some of the companies at the exhibition had applied to the federal government for being Internet access providers.

"We hope to be the first private Internet access provider in the country," said Prakash Arya, Marketing Manager of the Mumbai-based Sterling group. "We have made tremendous preparations and tied up with international companies like Microsoft and Compaq."

Christened 'ETH Internet Services', the facilities to be provided include nationwide roaming facility, virtual private networks, commercial and educational services as well as video conferencing and telephony, he said.

However, VSNL says it is ready for competition. "No problem, competition is welcome," said an VSNL official on

condition of anonymity. "There is enough room. In Delhi alone we get 200 to 250 applications every day for Internet accounts."

E-commerce, which is fast catching up around the world, allows for online transactions and access to global markets without setting up offices across the world. Among the companies offering this facility are IBM, whose Net Commerce system is "designed to showcase your product lines, allow immediate purchases and enable instant secure credit card transactions".

The intranet -- a network within an organisation -- leaders are companies like NetAcross and Compunnel. Said Bimal Sachdeva, Marketing Manager, NetAcross, which specialises in Intranet: "Intranet is the closed network of an organisation designed using Internet technology."

The company has provided intranet services to leading Indian companies like Ranbaxy Laboratories, MRF Ltd. and Bharat Cement. "Intranet allows easy access to anyone within the organisation who wants information which saves time and increases productivity." It could eventually lead to a paperless office.

"I am here to update myself on the latest on the Internet scene," said Aman Gupta, a student of civil engineering at a Delhi. "I would be looking for a job in a software firm after I finish my course so I need to keep myself informed." His friends, Anshul and Manish agreed that Internet was fast catching up in India. "We have only accessed the Net two to three times. We saw our college's homepage and some glamorous sites," they added.

—India Abroad News Service