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JS body holds talks on draft jute policy

The parliamentary standing committee on Jute Ministry discussed a draft jute policy 1998-99 at a meeting in the Jatiya Sangsad Bhaban yester-day, says APB.

Committee Chairman Mohammad Shamsul Haque presided over the meeting, said a Parliament press release.

Representatives Bangladesh Jute Mills Association and Bangladesh Jute Spinners Association attended the meeting on special invitation from the committee. They gave their respective opinions on the draft policy.

Members of the committee Jute Minister AK Faezul Haque, Dr SM Moklesur Rahman, Mohammad Jalal Uddin Talukder, Mohammad Mujibur Rahman, Dr Mohammad Salek Chowdhury, Alhaj Prof Kazi Golam Morshed and Advocate Gautom Chakravarty attended the meet-

BCI felicitates new FBCCI chief

Star Business Report Sharif M Afzal Hossain, President of Bangladesh Chamber of Industries (BCI), in a statement issued here yesterday felicitated Abdul Awal Mintoo on his being elected President of the Federation of Bangladesh Chambers of Commerce & Industry.

He expressed his optimism that under his dynamic leadership, trade and industry would be further developed and the national economy would get a new guideline and momentum.

"Under his able leadership, the business community will be able to protect their interest and the activities of the FBCCI will be more dynamic and effective," the statement said.

The BCI President assured him of all-out cooperation towards any positive step for development of trade, promotion of investment and acceleration of the pace of industrialisation.

He also congratulated Md Rajjab Sharif and Golam Dastagir Gazi, Directors of BCI on being elected as the Executive Members of the FBCCI from the Chamber Group and the Association Group respectively.

SAPRI forum begins at CIRDAP today

A three-day national forum of Structural Adjustment Participatory Review Initiative (SAPRI) begins at CIRDAP auditorium here today, reports UNB. Finance Minister Shah AMS Kibria is expected to inaugurate

the forum at 14:30 pm. SAPRI is a tripartite collaborative exercise of a global network of the civil societies, gov-

ernments and World Bank. Bangladesh is one of the eight countries in the world agreed to join it. SAPRI Steering Committee has organised the national forum to gain access to structural

adjustment-related experience analysis of civil society representatives, to assess preliminary findings of the consultative meeting of the first phased of the consultation process and to set the course for the envisaged field investigation. The forum will allow ex-

changes between wide and varied composition of participants from the national and grassroots level, officials of the government and World Bank, said a press release.

Course for Khulna Jiban Bima officers from today

Sales and Marketing training course for development officers of Jiban Bima Corporation will begin at Khulna Jiban Bima Corporation today, says a press release.

Fortyfour officers will participate in the course arranged by Bangladesh Insurance Academy.

The course, which will conclude on November 02, is expected to be inaugurated by AKM Elias Hossain, Faculty Member of the Academy.

Payoff scandal 6 former Japanese

bankers avoid prison terms

TOKYO, Oct 19: Six former officials at one of Japan's top banks avoided prison terms Monday for their roles in a payoff scandal that rocked the nation's financial world, media reported, reports AP.

The six, among 11 former Dai-Ichi Kangyo Bank executives indicted for dealing with a self-confessed racketeer, received prison terms of up to eight months. But the punishments were suspended for up to three years provided they stay out of trouble.

A spokesman for the Tokyo District Court refused to con-

firm the sentences. Presiding judge Kiyoshi Kimura told the court that the six conspired with other Dai-Ichi Kangyo officials to provide illegal payments to racketeer Ryuichi Koike in exchange for making the bank's shareholders' meetings go smoothly, Kyodo News Service reported.

Govt to unveil 'modern' industrial policy in a month: Tofail

The government will announce a "modern industrial policy" in a month envisaging further growth of domestic and overseas private investment, the Commerce and Industries Minister said here yesterday, reports UNB.

Tofail Ahmed said the new policy will spell out a comprehensive plan of action for future industrial growth.

He was speaking at a seminar on "Doing Business in Bangladesh" and the "Millennium Bug (Y2K) Issues" at Sonargaon Hotel in connection with the visit of a British Trade Mission, now in Bangladesh.

"Private investment from

mission leader Peter Lee and Apex Tannery Group Chairman Syed Manzur Elahi also spoke. Later, Minister Tofail

Ahmed and Board of Investment (BOI) Executive Chairman Farooq Sobhan responded to the queries of the Trade Mission members. Southern Asia Advisory

Group of the UK's Department for Trade and Industry (DTI) has organised the October 18-23 visit of the 24-member trade mission to explore new investment avenues in Bangladesh.

The Minister explained to the visiting trade mission the steps taken by the government to liberalise trade and open up

British investors to invest in the prospective gas-based petrochemical, fertiliser and polymer industries and composite textile mills.

A total of 63 British companies have already established their units in Bangladesh while 45 others registered their interest with the BOI, he said, dispelling any fear of image problem of Bangladesh.

"There may be political differences, which are common everywhere, but on economic issues we're all united." Tofail

The opposition parties, he said, also endorse open market economy and privatisation of

Bangladesh's investment policy and environment are far better than those in India and Pakistan. He listed the ready-made garment, leather and food processing sectors as prospective areas where British investors

can invest British High Commissioner David Walker said British commercial interest in Bangladesh has been growing steadily.

"There are worthwhile opportunities for foreign invest-ment in Bangladesh," he said. The British envoy mentioned that some reforms and restructuring measures of the government have already helped to strengthen the overal

macroeconomic situation. As reforms are carried forward, they will further improve the conditions for a sustainable economic growth rate and expand bilateral trade, Walker hoped.

TSP price increases in Noakhali, Laxmipur

triple super phosphate (TSP) fertiliser has shot up in Noakhali and Laxmipur districts hampering cultivation greatly, reports UNB.

A 50-kg sack of TSP fertiliser is selling between Tk 600 and Tk 650 as against Tk 480. Local farmers alleged that the artificial scarcity has been created by the dishonest traders to earn windfall profit.

The sudden price spiral of other agri inputs has put the growers in awkward situation as the poor and marginal farmers, in particular, have lost the buying capacity due to onslaught of the recent unprecedented flood.

It is feared that the cultivation of various crops including potato, pulse and mustard will not be satisfactory in the current rabi season.

The worst affected thanas are Senbagh, Companyganj, Sudharam, Hatiya, Begumganj Chatkhil, Laxmipur, Ramganj Ramgati and Raipur, said Agriculture Extension Department

Fertiliser dealers said,

nearly half of the dealers of the thanas were forced to stop their trade on account of slump in business and lack of supply of fertiliser in time. Others said they have received the allocation of 100 to 200 mts of TSP from Patenga in Chittagong which is quite inadequate to

cater to the need. But, it has not reached at the areas despite the beginning of the season, they said adding. some of the traders are selling it at high rate from their godown stored earlier.

On the other hand, the flood affected farmers have no ability to buy the imported TSP at so high rate owing to their financial constraints.

At present the cultivation of rabi crops has come to a standstill, because the farming of potato and other crops cannot be done without the fertiliser.

Sources at Choumuhani commercial market alleged that a section of dishonest businessmen are selling the fertiliser at enhanced rate for earning windfall profit by creating artificial crisis in the

'Maruti faces no competition'

Three firms launching new cars in India NEW DELHI, Oct 19: India's sides the company would have

largest carmaker yesterday said it was unfazed by competition from three major players who are launching mass-appeal cars here and would not introduce new models to ward off competition, says AFP.

Maruti Udyog Ltd. Managing Director Ravela Bhaskarudu told the Press Trust of India: "There is no need for the company to launch new vehicles just because new cars are com-

temporary vehicles that can take on the new launches." he The Indian government and

"Our stable is full with con-

Japans' Suzuki Motor Corp. hold equal stakes in Maruti. which currently holds a market share of 83 per cent.

Its dominance could dip to 70 per cent due to competition from Korean carmakers Daewoo Motor Co. and Hyundai Motor Co. as well as from India's Tata Group, which also plans to launch an economy model to compete with Maruti's 800cc car.

Bhaskarudu said another reason for not opting to launch new vehicles was because Maruti would not be able to maintain the current low

For the new cars because of the initial lower volumes, beto make investments for dies and fixtures. "Our products are contempo-

rary, they are tried and tested on Indian roads, we have a wide rang of well-priced vehicles that offer value for money to the customer.'

The official had earlier said Maruti's production level would be raised from the annual 350,000 units to 450,000. "So we are looking at produc-

ing half a million vehicles by 2000-1 and we are confident of selling the entire lot. The company is totally geared up to meet any competition." Hyundai last month

launched its small car. Santro, while Daewoo's Matiz is expected later this month. Tata's Indica will roll out around Jan-

The Tata car factory has an annual production capacity of 150,000 cars. Hyundai and Daewoo can each produce 100,000 cars.

Analysts say car production capacity in India was already twice the size of demand.

India's car market was opened to foreign companies following market reforms launched in 1991. The sector had been dominated for more than four decades by antiquated versions of British cars and later by Maruti.

China lifts 200m out of poverty

BEIJING, Oct 19: China has lifted 200 million people out of poverty in the past 20 years, but 50 million still live below the breadline, the China daily reported today, reports AFP. Vice Premier Wen Jiabao

in 20 years

told a conference that a record number of Chinese, some 125 million, had shrugged off poverty in the first eight years after late patriarch Deng Xiaoping launched his radical reforms in 1978. Rural reforms replaced the previous collective system with

a responsibility scheme under which the state ranted land to the farmers. But the pace of eradicating poverty slowed from 1986, with

an average annual rate of 6.4 million disappearing from the statistics. From 1993 to 1995, the average fell to five million a year as

"market reforms were not enough to effect change on their own," the China daily said. Previously the poverty level was set at 200 yuan (24 dollar) a year, but was raised to 530 yuan

[63 dollar] in 1995 to take account of increasing living standards. London remains

top European business capital LONDON, Oct 19: London

remains the top European capi-tal ahead of Paris and Frankfurt, as judged by top business executives of large companies in a poll published on Monday by British Real Estate Agency Healy and Baker, reports AFP. London was voted the top

city for the ninth year in a row by the heads of 500 firms, who considered six criteria: easy access to markets, internal and external transports, quality of telecommunications, language, and available office space.

"To be voted top in Europe's leading location survey for nine years running is an impressive endorsement of London's vast resources, advanced communications and unrivalled status as an international financial centre," said Stephen O'Brien, the chief executive of London first centre, the inward investment agency for London.

However, 17 per cent of those questioned said that Frankfurt, home to the European central bank, could dethrone London in coming years.

The British government has put off a possible membership in the single currency zone until the next legislative elections, scheduled for 2002.

Thai bourse may delist 47 cos BANGKOK, Oct 19: Forty-

seven troubled companies are in danger of being delisted by the Stock Exchange of Thailand unless they raise new capital by January, a local newspaper reported on Monday, reports AP.

in July, the exchange announced that companies with negative net worth will be delisted starting in January unless they can find new funds or investors to shore up their balance sheets, according to the Bangkok Post. Scores of Thai companies

have watched their financial status plummet along with the country's currency, the baht, since it was floated in July 1997, triggering a regional economic crisis.

Many firms had taken out loans in foreign currencies to fund expansion when the economy was booming. But as the baht fell, the value of loans inflated, pushing many to the

The Post reported that 20 of the 47 firms have rehabilitation plans that are underway.

clude: Alphatec, a computer chip maker once regarded as one of the country's cutting-edge technology firms; financial firms Union Bank, Laem Thong Bank, Siam City Bank and International Finance Corporation of Thailand; Swedish Motors, which manufactures Volvo cars, NTS Steel and Bumrungrad Hospital.



The out-going chief of World Bank Mission in Bangladesh Pierre Landell Mills met the leader of the opposition in parliament and BNP chairperson Begum Khaleda Zia at Hotel Songargaon in the city yesterday. -Star photo

Asia to enter 21st century with sustainable economic growth

SINGAPORE, Oct 19: Asia will enter the 21st century with sustainable economic growth rates, greater transparency and improve corporate governance after weathering the current financial crisis, experts told a regional conference here, reports

But the task of rebuilding the region from the rubble of the worst crisis in decades will be painstaking because currencies have plummeted, corporate debt has skyrocketed, credit has dried up, production has sagged

and growth stagnated. The experts pictured the regional scenario in the new millennium at the just-concluded east Asian conference of the Swiss-based world economic forum, based on the theme "shaping the new economic landscape in Asia."

With greater information disclosure by governments and businesses, tighter regulation of financial institutions and better management of capital flows, Asia would regain its lustre, predicted Sir Charles Powell, Director of British conglomerate Jardine Matheson.

He said the key ingredients for recovery were Asia's ability to learn from past mistakes and its core fundamentals - excellent trade links, commitment to hard work, family and education, a natural affinity towards markets, a high level of foreign direct investments and sophisticated infras-

Peter Churchouse, Hong Kong-based Managing Director of investment house Morgan Stanley Asia, noted that many investors had not been overly demanding when it came to corporate governance standards and poured money into lessthan-transparent family companies with opaque corpo-

rate structures. as the crisis inspires investors to require greater transparency," he told the conference last week attended by 1,000 top government and business officials, economists and analysts.

refused to be transparent.

Mark Daniel, Managing Director of Singapore-based Bain and Company (Asia) Inc precated sources."

product growth. "This will inevitably change

Once the crisis ended, Churchouse reckoned, fund managers would wield the ultimate weapon of withdrawing investments from companies that

dicted that Asia would enter a new phase where capital would come from "new, more compli-New foreign investment money would continue to be directed at safe investments and

those with quick returns, with

"acquisition" money in particu-

lar primarily coming from

companies owning half of joint ventures wanting to buy out the other side, Daniel said.

He noted three alarming statistics stemming from the financial crisis — there was more than one trillion US dollars in bad debt in the region, Asia had lost more than two trillion dollars of equity market capitalisation in the past 14 months and there was more than three trillion dollars of lost expected gross domestic

Asia's financial crisis was triggered in mid-1997 by rapid currency devaluations and led to a meltdown in stock and real estate markets and collapse of companies, with economies

plunging into recession. Tony Tan, Singapore's Deputy Prime Minister, told the conference that Asia was unlikely to see again the same euphoria as in the 1980's when economies posted rapid economic growth rates regardless of the soundness of their economic structures and financial systems.

He said that in the next five years, only economies with good corporate governance and strong institutions and which adopted market-friendly economic policies would grow rapidly. The growth will be differentiated," Tan said.

Beer threatens vodka monopoly in Russia

LONDON, Oct 19: Beer sales in Russia are expected to grow by 60 per cent by 2002 as the dominant market position of vodka comes under threat from more youthful and trendier beer brands, a new report said today. reports Reuter.

Market analysts Datamoni tor (www. datamonitor. com said beer sales in Russia, Europe's third largest market, had increased by 13.5 per cent a year between 1993 and 1997 with the market's value growing at 19-2 per cent. In 1993 the value of the beer

market was just five per cent of the vodka market but will be over 50 per cent by 2002. Datamonitor said larger sales increased by 1,127.3 mil-

lion litres between 1993 and 1997, driven by Russia's transition to a market economy and better access to imported beers. Another fundamental factor has been the change from the production of cheap, generic beer to more expensive, branded brews," Datamonitor said.

"Ales and stouts are now an essential part of brewers' portfolios as Russian consumers savour stronger-tasting beers." Datamonitor's drinks analyst Ben Longman said beer

would take an increasing share

and wine," Longman said.

of Russian consumers' wallets. "That will also mean that beer and cider will take away share from soft drinks, spirits



Heads of States attend the opening ceremony of the VIII Ibero American Summit in Oporto, Portugal, Sunday as a large television screen shows Portuguese President Jorge Sampaio addressing the meeting. - AP/UNB photo

Economic downturn does nothing to Cambodia losing gains in dampen India's love affair with gold

BOMBAY, Oct 19: India's economic slowdown has done nothing to dampen the nation's long-term love affair with gold, especially ahead of the Hindu holiday season, reports AFP.

"Demand is surprisingly very good," said Ravi Vasantraj, analyst at gold trading house Mecklai and Mecklai. 'We had expected it to remain

either steady or fall from last year, because of the ongoing slowdown, but we've been pleasantly surprised." India is the world's largest gold consumer, and demand is especially high before diawali (festival of lights) which falls

Indians traditionally buy gold jewellery for themselves. India's gold production is negligible, so almost all the gold purchased here is im-Makhanlal Damani, presi-

dent of the Bombay Bullion As-

sociation, said imports were

expected to total 700 tones in

on Monday this year — when

1998, up from 675 tonnes the previous year. There is good demand for gold and international prices are also soft," said Damani.

"Initially there was some doubt that domestic demand could be down due to the economic situation, but it hasn't happened so far." Vasantrai of Mecklai and

Mecklai attributed the steady demand in part to the fall in the stock markets and the Asian financial turmoil, which was prompting many investors to turn to the traditional safe haven of gold. "This asset diversification is

also one of the reasons for the good demand for gold, but the main reason is retail buying." he said. Indian stock markets have been taking a beating the past several months due to political

uncertainty, the regional fi-

nancial meltdown and, most

recently, unit redemption con-

cerns at the country's largest

India's economy grew 5.1 per cent in the year to March 1998. compared to 7.5 per cent the

previous year. Poor first quarter results in the current fiscal year have led to forecasts of a further decline. although the government remains adamant that it can achieve growth of around 6.3 per cent. In the midst of all this, de-

ened. The Geneva-based world gold council said Indians bought 737 tonnes of gold in 1997, up 45 per cent from the previous year. The council's figure includes imports, domestic production

as well as estimates of domestic

mand for gold has never slack-

recycling of the metal. Gold is traditionally bought in India during the marriage season as a gift for brides and during Hindu festivals. A decade ago, almost all gold imports were smuggled in but in 1989 the government relaxed

controls on buying, selling and stockpiling.

In 1992 it introduced further deregulation by allowing Indians returning from abroad to bring in five kilogrammes (11 pounds) of gold, a figure that was doubled recently. In October last year, import

the first time, a group of staterun agencies and banks were allowed to make unlimited gold imports. Gold trader Damani said the scrapping of the licences saw a 13 per cent fall in prices last

licences were scrapped and, for

"Less than 20 per cent of the imports are now smuggled," he added. Analysts said India had about 9,000 tonnes of gold worth more than 100 billion dollars stocked privately. S. Venkitaramanan, former chief of the country's central

bank, said India's appetite for

gold signified a "continuing fear

of inflation rather than a sense

of wealth.

PHNOM PENH, Oct 19: Continuing political instability is eroding gains made in the battle against poverty in Cambodia, the UN Development Programme warned Monday, reports AP.

"The momentum achieved in the fight against poverty sure the only legitimate fight in today's Cambodia — is being lost," said UNDP chief representative Paul Matthews.

Noting that significant progress had been made to develop Cambodia since a 1993 election ended decades of civil war, Matthews called on the country's bickering political parties to work together to reduce poverty and protect the environment. "Whatever the divergence in

main political parties all pledge to reduce poverty and to preserve the environment," he told a conference observing the International Day for the Eradication of Poverty. Cambodian leader Hun Sen's

rhetoric, the manifestos of the

ruling party and the two-party

a new government following July's disputed election. Hun Sen's party won a majority of seats in parliament,

opposition are locked in a tense stalemate over the formation of

battle against poverty

but not the two-thirds needed to form a government alone. The opposition, claiming Hun Sen's victory was achieved through fraud and intimida-

its allegations are thoroughly investigated. Matthews said the instability was having a negative impression on major aid donors. The political crisis that fol-

lowed, along with the Southeast

Asian economic crisis, are

tion, refuses to cooperate until

making Cambodia's attempts to alleviate widespread poverty more difficult, he said. Cambodia ranks 140 out of 174 countries measured by the UNDP's human development index — a calculation including gross national product per

capita, life expectancy and lit-

eracy — making it one of the

world's poorest countries.

point of bankruptcy. Some of the companies in-

Free Breakfast/Health Club/Swimming Pool

BKB to disburse Tk 22 cr loan

in Shariatpur

Bangladesh Krishi Bank has

taken up a programme to dis-

tribute Tk 22 crore as loan

among the flood-affected farm-

Some 21,000 small and

BKB sources said the loan-

marginal peasants of six

thanas of the district would get

the loan-money for cultivation

money would be disbursed for

the cultivation of crops like

BIBM seminar on

bank restructuring

postponed

ing of commercial banks in

Bangladesh" scheduled to be

postponed due to unavoidable

will be announced later, said a

BIBM press release yesterday.

Fresh date for the seminar

held on October 22 has been

The seminar on "Restructur-

potato, boro paddy and onion.

of Rabi crops.

circumstances.

ers of the district, reports APB.

SHARIATPUR. Oct 19:

NOAKHALI, Oct 19: Price of