



**FBCCI chief leaves for US**

President of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) Abdul Awal Mintoo left here for USA yesterday, reports UNB.

During his stay, he will hold meetings with US businessmen in order to encourage them to invest in Bangladesh.

FBCCI chief will also visit Norway from November 15 to 17 and he is likely to sign a co-operation agreement with the counterpart organisation of FBCCI in Norway aiming at facilitating trade and investment between the two countries.

**British creative industries earn \$100b revenues a year**

LONDON, Nov 7: "Creative" industries in Britain, such as music, publishing and other arts, generate 60 billion pounds (99.8 billion dollars) a year in revenues and have the potential to create 50,000 new jobs in the next three years, the government said yesterday, reports AFP.

**PIA raises int'l fares by 15pc**

KARACHI, Nov 7: Pakistan International Airlines (PIA) has decided to raise its international fares by up to 15 per cent from mid-December, airline sources said yesterday, reports AFP.

**Int'l confce calls for producing more food**

HISAR (Haryana), India, Nov 7: The international conference on food security yesterday gave a call to produce more food for ensuring food and nutritional security to burgeoning population across the globe, says PTI.

**Int'l confce calls for producing more food**

HISAR (Haryana), India, Nov 7: The international conference on food security yesterday gave a call to produce more food for ensuring food and nutritional security to burgeoning population across the globe, says PTI.

## Bribery, delay in loan disbursement BKB withdraws half a dozen managers

At least half a dozen branch managers of Bangladesh Krishi Bank have been withdrawn from different parts of the country for taking bribes or delaying disbursement of agricultural loans to the farmers, reports APB.

Officials at the BKB central office said these managers were transferred to 'non-operational' areas and a departmental inquiry was launched into the allegations.

Apart from the managers, a field officer was suspended for demanding illegal money for outlying agricultural credits as part of the post-flood rehabilitation programme.

BKB officials declined to provide the names and other details of the accused in the interest of departmental inquiries and as the allegations were against them yet to be proved.

They said temporary actions were taken after a preliminary probe conducted immediately following the allegations by the farmers, especially from the flood-hit areas.

"If these officials are proved guilty, disciplinary action would be taken against them," a senior official told APB.

Meanwhile, sources in the BKB said that the accused branch managers had started lobbying with the central high officials.

Since the beginning of flood rehabilitation, the Complain Cell of the central office has received some 43 complaints in writing from farmers across the country.

The officials said most of the allegations were more or less alike lack of transparency, delays in distributing loans and seeking kickbacks. Most of the allegations were lodged against supervisors and field officials.

Fifty per cent of the allegations were seen 'not right' said a senior official, adding "the BKB conducts preliminary inquiries against the allegations within 48 hours."

A four-member team, led by a general manager, is looking after the Complain Cell at the centre.

Officials, however, claimed that the flow of allegations was now low as mobile supervisory teams with authority to take spot action were overseeing the agri-loan disbursement drive, specially designed to help farmers recoup their crop losses.

They said that a 2-member high-powered watchdog team was constituted for every two branches to monitor and expedite credit payout under the post-flood rehabilitation operation.

## IMF clears \$138m recovery package for Bangladesh

WASHINGTON, Nov 7: The International Monetary Fund (IMF) has cleared a \$138 million emergency package to help economic recovery in flood-ravaged Bangladesh.

The three months of floods this year, which inundated three-fourths of the country, caused widespread damage to the nation's infrastructure.

The impact on Bangladesh's 1998-99 budget is provisionally estimated at 1.6 per cent of the gross domestic product (GDP), reflecting tax revenue losses and additional outlays for relief operations and for rehabilitation.

The IMF has, however, noted that Bangladesh has taken several steps to strengthen the macroeconomic framework and it stands ready to provide technical assistance in strengthening tax administration.

It said Bangladesh has made considerable progress over the last few years in stabilising and liberalising its economy. Although economic growth is expected to slow to three to four per cent in the current fiscal year as a result of the floods, real GDP growth was a robust 58 per cent in 1997-98, led by strong export performance and a recovery in the manufacturing sector.

The IMF advised Bangladesh to accelerate structural reforms in three key areas — revenue, banking and public enterprises. — India Abroad News Service

By Vasantha Arora



Prof. Lee Cheng Liang, Chairman of B&T Sunbeam International Corporation Ltd., a joint venture company of Bangladesh and Taiwan, addresses the directors and other senior officers of the BTS Group recently on QSP (quick save profit) construction system, which is a new concept in construction of buildings at lesser costs and within shorter time. M Nesar Uddin, Managing Director and RI Henry, Deputy Managing Director, are also seen.

**New finance co launched**

Star Business Report

A new financial institution named Bangladesh Industrial Finance Company Limited (BIFC) has been floated.

The company, a joint-venture non-banking institution, was inaugurated by its Chairman, Golam Kabir, at a function held at its head office in the city on Thursday, says a press release.

A milad mahfil followed by a Tea Party was arranged for the occasion.

Directors of the Company Major (ret'd) Abdul Mannan, Moinul Haq and Mohiuddin Ahmed attended the function.

High officials of different banks, financial institutions, insurance companies as well as elites of the society attended the function.

Md Khalilur Rahman, Managing Director of BIFC welcomed the guests.

## C'wealth Development Corp chief says Bureaucratic tangles disrupt investment in Bangladesh

The Chairman of Commonwealth Development Corporation, The Earl Cairns, has said bureaucratic tangles and procedural delays create problems in investment in Bangladesh although it "theoretically" offers attractive opportunities, says UNB.

"It takes a long time for a project to reach from the drawing board to the field," said Lord Cairns talking to UNB at Prime Minister Sheikh Hasina at her Ganobhaban residence.

There should be a strong "political will" to allow private sector to grow, said the chief of CDC. Britain's overseas development finance institution, which favours private sector growth.

Lord Cairns, who arrived here Friday morning on a short visit to mark the 50 years of CDC's operation worldwide.

A development partner of Bangladesh for long 16 years, the CDC's loan and investments in Bangladesh total 61 million US dollar (\$29.74 crore) and it has commitments to go for larger projects in future, said the Chairman of London-based CDC.

So far in 1998, he added, CDC has approved a further 47 million dollar (Tk 22.91 crore) fresh investment in Bangladesh in the private sector cement and telecommunication enterprises — for LaFarge Cement and Grameen Phone.

Lord Cairns mentioned that the CDC favours investing in profitable private sector projects and also those enterprises which are coming out from public sector.

larger projects in future, said the Chairman of London-based CDC.

So far in 1998, he added, CDC has approved a further 47 million dollar (Tk 22.91 crore) fresh investment in Bangladesh in the private sector cement and telecommunication enterprises — for LaFarge Cement and Grameen Phone.

Lord Cairns mentioned that the CDC favours investing in profitable private sector projects and also those enterprises which are coming out from public sector.

## Commodity: Weekly Roundup

**Oil slips under pressure from crude stockpiles**

LONDON, Nov 7: Oil prices fell after US authorities reported a rise in crude stocks and demand remained low, reports AFP.

Brent prices on the International Petroleum Exchange fell to 12.54 dollars a barrel (for December delivery) from 13.06 dollars a barrel.

On the New York futures market, light sweet crude for December delivery fell to 13.97 dollars a barrel from 14.24 dollars.

US crude stocks rose by 7.98 million barrels this week, the American Petroleum Institute (API) said.

The rise in stocks eclipsed production setbacks in Nigeria and growing tensions in the Middle-East, notably between Iraq and the United Nations.

**Rubber:** Soft. Rubber prices softened in the absence of strong demand, but heavy rainfall in Thailand and moves by the International Natural Rubber Organisation to support prices prevented a sharp slide.

Lewis and Peat trading house said that the threat that Thailand might pull out of the organisation, as Malaysia has already done, kept the market under pressure.

The London rubber index remained unchanged at 500 pounds per tonne for November delivery and 505 pounds per tonne for December.

On the Kuala Lumpur market, the RSS1 index fell to 2.76 ringgits a kg from 2.81 ringgits.

**Cocoa:** Hot. Cocoa prices for March on the life futures market rose six pence to 1.034 pounds a tonne on expectations of a lower Ivory Coast crop.

Deliveries of cocoa in Ivory Coast ports for export have fallen to 68,394 tonnes, almost half the rate of last year's 120,000 tonnes in the same period, GNI brokerage said.

**Tea:** Lukewarm. Mombasa, Kenya auctions saw irregular demand, the London Tea Brokers Association said.

Some top quality BFI teas saw prices rose, while others fell mediums lost up to six cents a kilo, while low-quality dusts rose five cents a kilo dusts fell the almost eight cents a kilo, while others rose 12 cents.

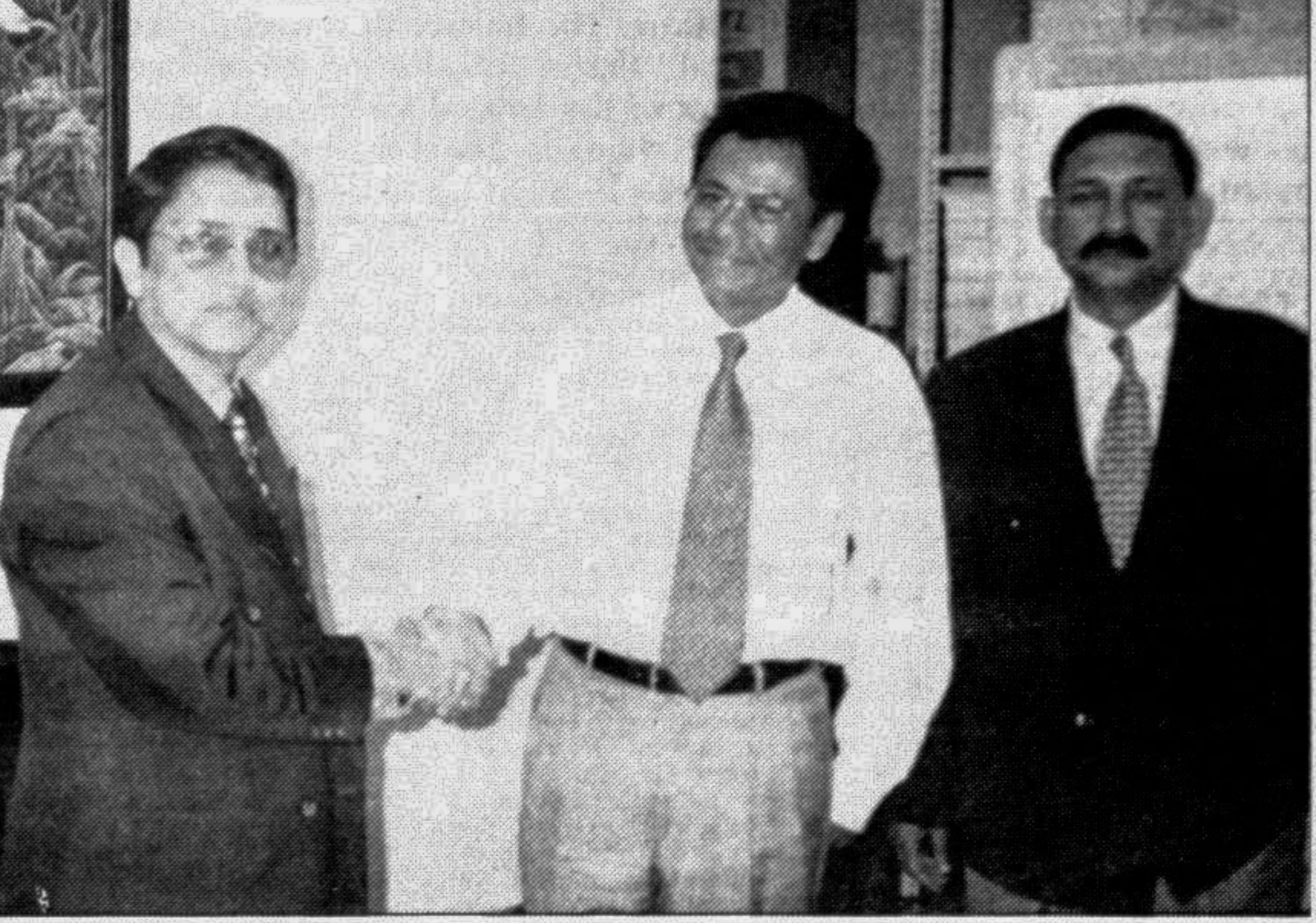
**Coffee:** Strong. Robusta coffee for January rose to 1.687 dollars a tonne this week, up 72 dollars, following devastation of plantations by hurricane Mitch in Central America.

London trading was calmer than in New York, where investors said the likelihood of a surplus in Brazilian and Colombian crops in 1998-99 outweighed the price boosting effect of the hurricane damage.

The storm, which killed thousands of people and left millions homeless, caused panic among coffee investors early in the week, especially in New York.

However, calm returned amid expectations of a considerable oversupply, thanks to record crops in Brazil and Colombia, pushing prices back down.

"It's horrible to say this, be-



AKM Azizur Rahman, Managing Director of Khansons Automobiles Ltd, shakes hands with Rashid Rahim, CEO of DRB-HICOM Export Corporation Sdn Bhd, after signing an agreement with the Malaysian company recently in Kuala Lumpur. Bazlur Rahman, Deputy Managing Director of Khansons Automobiles Ltd, is also seen in the picture. — Khansons photo

## V-SAT link failure CSE witnesses major trading disruption

Chittagong Stock Exchange (CSE) yesterday witnessed a major disruption in its automated trading facilities due to problems in its V-SAT communication linking three major cities.

Trading stopped on and off as the brokers watched computer screens go blank frequently throughout the whole day.

The CSE had been trying to integrate a new system in its existing software, which would enable brokers to see its key index — CSE All Share Price Index — live on their computer screens, like that of Dhaka Stock Exchange, sources said.

The CSE software currently does not have the facility of a live index watching.

The CSE began mock trading at 12:10 pm on the new system yesterday. This triggered off the disruption in its Dhaka on-line network.

"Traders at their workstations in Dhaka found their screens go blank at 12:10 pm," sources said.

While trying to restore the Dhaka network, the Chittagong system also collapsed and till 2:45 pm they could not conduct any trade," one source said.

The system was partially restored at 2:45 pm, but trading could only be carried out alternatively in Dhaka, Chittagong and Sylhet.

Dhaka office of CSE said they were having problems with V-SAT communication and the

alternative lines used as back-up were also very slow.

The Chittagong Stock Exchange on June 2, this year, launched screen-based automated trading facility.

The system enables investors of three major cities — Dhaka, Chittagong and Sylhet — to participate in on-line real time trading through computer networks.

The CSE was the first stock exchange to introduce such an automated trading facility in Bangladesh.

It was the third bourse in South Asia to have a wide-area network out of 31 in the region, after the National Stock Exchange and Bombay Stock Exchange of India.

By M Shamsur Rahman

## Aman fields in Natore come under pest attack

NATORE, Nov 7: Transplanted aman paddy fields across the district are being invaded by pests adding miseries to the flood affected farmers, reports UNB.

Farmers said the paddy fields in all other districts of northern region have also been attacked by the pests.

Sources said standing transplanted aman crops on about two lakh hectares of land in 16 northern districts, out of the total six lakh, have been attacked by different pests.

They said the crops have been attacked by pests like murga, pamri, leda and green leaf grasshopper causing extensive damage.

Agriculture experts said the pest attack is due to various reasons including water stagnation in many areas following the flood and heavy rainfall during the last few weeks.

Besides, other bacterial diseases have also attacked the paddy fields. The experts identified the disease as bacterial leaf blight known as 'tiger spot' and said the bacteria first attack young leaves of the paddy plant affecting chlorophyll of the leaf.

The leaves turn grey or yellowish within few days of the attack and later several black spots develop on the affected leaf.

The experts said affected seeds, air pollution and green leaf grasshopper are mainly responsible behind the outbreak of the bacterial diseases.

reasons including water stagnation in many areas following the flood and heavy rainfall during the last few weeks.

Besides, other bacterial diseases have also attacked the paddy fields. The experts identified the disease as bacterial leaf blight known as 'tiger spot' and said the bacteria first attack young leaves of the paddy plant affecting chlorophyll of the leaf.

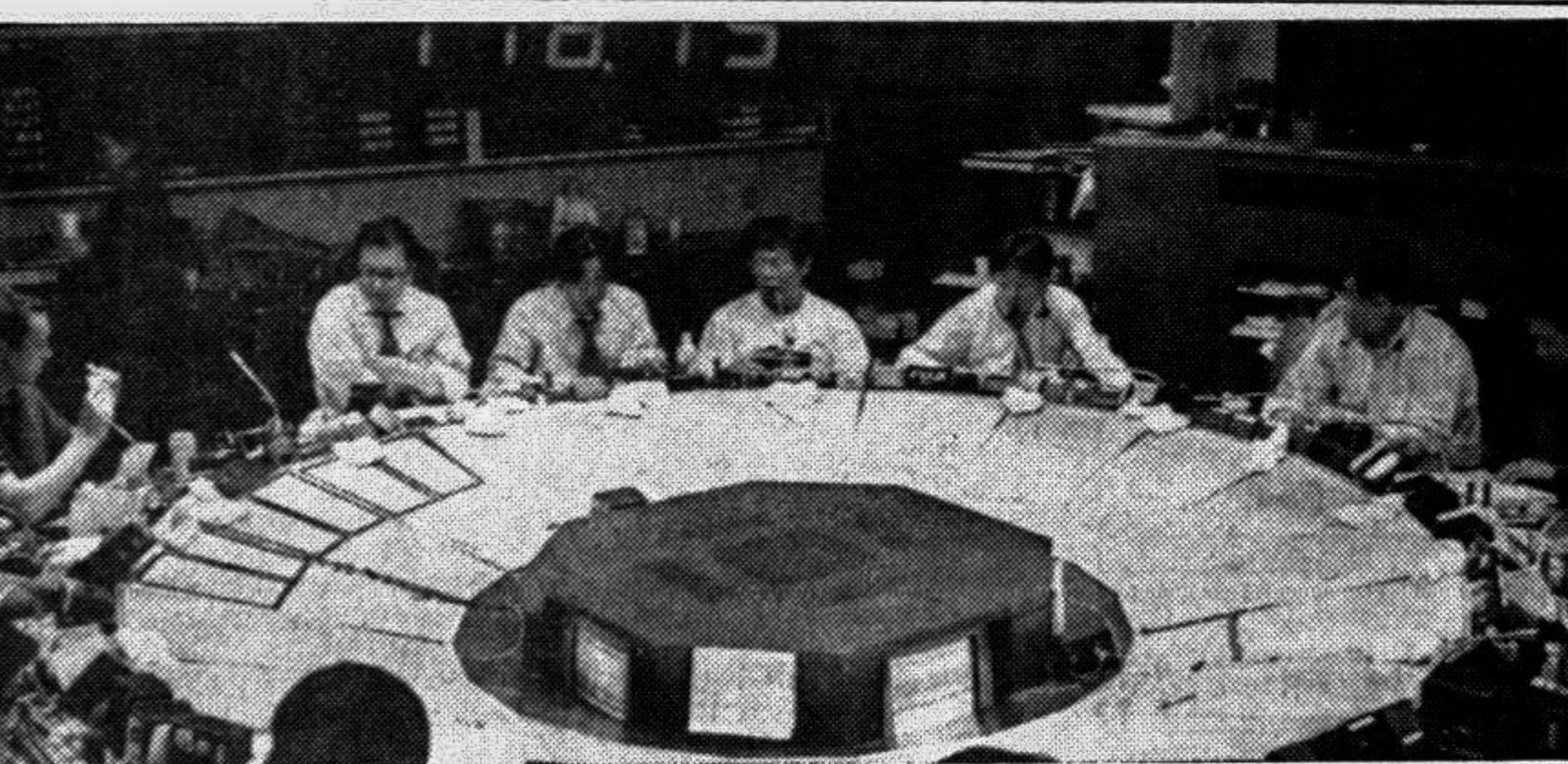
The leaves turn grey or yellowish within few days of the attack and later several black spots develop on the affected leaf.

The experts said affected seeds, air pollution and green leaf grasshopper are mainly responsible behind the outbreak of the bacterial diseases.

Brazil is expected to receive a 30 billion dollars IMF-led rescue package possibly next week.

In Asia, Camdessus said "Korea, Thailand and even Indonesia, are continuing to show promising signs that recovery could be around the corner."

These three nations received IMF-led rescue packages totaling more than 100 billion dollars.



TOKYO (Japan): Currency dealers sit around a table under an indicator flashing 118.15 yen against US dollar during their business in the Tokyo foreign money market yesterday. The US unit quoted at 118.25-27 yen at 10:00 am (01:00 GMT), up from 117.62-65 yen late Thursday and 117.75 yen in New York. — AFP photo

## Oil slips under pressure from crude stockpiles

**Vegetable oils:** Warming US soy prices rose on technical factors despite some market disappointment that the US food aid package for Russia did not include soy.

On the Chicago Board of Trade (CBOT), soy prices rose by eight cents to 5.59 dollars per bushel (of 27.2 kg November delivery).

On the Rotterdam market, palm oil prices rose by 2.50 dollars to 685 dollars a tonne, sunflower prices were unchanged at 675 dollars a tonne, groundnut oil was unchanged at 850 dollars and rapeseed oil held firm at 115 guilders per 100 kg.

**Grains:** Ground. Grain prices fell despite healthy demand and a US food aid programme for Russia.

US authorities plan to ship 1.5 million tonnes of wheat and 1.5 million tonnes of other grains to Russia, while the delivery would reduce market stocks, and is thus seen as a positive factor, some traders had hoped that a greater quantity of cereals would be given to Russia.

**Cotton:** Light. Cotton prices remained unchanged in subdued trade dominated by technical factors, dealers said.

Cash prices covered by the cotton outlook index remained unchanged at 58.80 cents a pound.

The US market was inactive despite figures showing strong export volumes so far this year. US producers have already sold more than 70 per cent of the 4.5 million bales predicted to be sold during the whole of the 1998/99 season.

**Wool:** Warm. Wool prices rose on strong demand from Asian investor.

On the British market, the Wooltops index rose by eight pence to 296 pence per kg after a fall in the value of the pound which increased overseas demand.

The Australian Wool Exchange (AWEX) index rose by five cents to 4.89 Australian dollars per kg.

cause this hurricane killed thousands of people, but the market is barely moved by the impact of Mitch on the region's crops," said an analyst at London Brokerage Rudolph Wolff.

**Sugar:** Boost. Sugar prices rose sharply amid fears that the deadly hurricane Mitch has ruined plantations in Central America.

On the London futures market, contracts for March delivery rose 234 dollars a tonne from 225.30 dollars last week.

Prices were also subdued by a downward revision of the 1998-99 crop in Europe to 16.216 million tonnes from an earlier forecast of 16.255 million tonnes a reduction in European export quotas also lifted sentiment.

But dealers warned that prices were likely to come under pressure in the coming seasons because of low demand for sugar market supplies, in contrast remained high because producers were selling to take advantage of the high prices.

But dealers warned that prices were likely to come under pressure in the coming seasons because of low demand for sugar market supplies, in contrast remained high because producers were selling to take advantage of the high prices.

## Khansons Auto to market DRB HICOM vehicles

Khansons Automobiles Ltd, a member of Khansons Group, has been appointed the marketing representative of DRB-HICOM Export Corporation Sdn Bhd, a subsidiary of DRB HICOM Group, in Bangladesh.

To this effect, an agreement was signed recently between the two companies, says a press release.

Under the accord, the local firm will market light truck and buses of the Malaysian company.

DRB-HICOM Export Corporation manufactures a comprehensive range of vehicles including passenger cars, commercial vehicles, buses, trucks and motorcycles.

## Global financial crisis not over yet: IMF chief

WASHINGTON, Nov 7: Although calm is returning, the crisis in the world financial system is not over yet, the head of the International Monetary Fund said Friday, reports AP.

Michel Camdessus praised Latin American countries for trying to defend themselves against the turmoil in global financial markets and said there were promising signs of recovery in Asia, where the crisis began 16 months ago.

Camdessus urged countries to use the crisis to make fundamental economic reforms and avert a recession. He spoke to the Council of World Affairs in Philadelphia. A copy of his speech was made available in Washington.

"Even if, in the past few weeks, an air of calm has begun to return to global markets, we could argue that the crisis in the functioning of the global financial system is not over yet, and that we now have a better opportunity to press ahead with fundamental reform," he said.

Camdessus said the Latin American nations "have signalled their readiness to do whatever is necessary to maintain their access to international capital markets," he said.

"This preemptive action is helping to defuse potential crisis in the region."

He said Brazil set a good example by "not waiting until the last moment to acknowledge its policy shortcomings and to take strong action." This was a reference to President Fernando Cardoso's 23.5 billion dollars fiscal reform package announced last week.

Brazil is expected to receive a 30 billion dollars IMF-led rescue package possibly next week.

In Asia, Camdessus said "Korea, Thailand and even Indonesia, are continuing to show promising signs that recovery could be around the corner."

These three nations received IMF-led rescue packages totaling more than 100 billion dollars.

## S'pore okays Viagra sale

SINGAPORE, Nov 7: Singapore has approved the sale of the anti-impotence drug Viagra for an initial evaluation period of six months, the country's health ministry said Friday, reports AP.

After months of trials, the government has "decided to take a cautious approach towards its introduction" of the little blue pills because of reported deaths associated with use of the drug in the United States, the Ministry of Health said in a statement.

The impotence remedy will only be available by prescription in Singapore and doctors are required to report any adverse reactions by patients to the health ministry.

Singapore will also require the US pharmaceutical company which makes the drug, New York-based Pfizer Inc, to submit monthly reports on the amount of Viagra it supplies to the island republic.

"The ministry will monitor the supply of Viagra to deter excessive utilization and abuse," the statement said.

The permit allowing sales of Viagra will be reviewed at the end of the six-month period.

Demand for the drug prior to government approval led to the creation of a thriving black market for Viagra pills smuggled into the country from overseas.

## RDRS implementing Tk 2.16cr project

Rangpur Dinajpur Rural Development Service (RDRS) is implementing a Taka 2.16 crore agriculture rehabilitation programme to assist 30,000 flood-affected families in Kurigram, Lalmonirhat, Nilphamari, Thakurgaon and Panchagarh districts, a RDRS press release said here yesterday, reports BSS.

The programme is being funded by DFID, the former British ODA, under agriculture support services project covering the most affected areas of 158 unions in 18 thanas.

It will continue till February next year, the press release said.

Each family will receive winter and other vegetable seeds worth Taka 200 and a cash relief of Taka 500 under this programme. In addition, 300 families representing 10 per cent most vulnerable of the target group will be provided another Taka 200 in cash for homestead micro-enterprise support, the press release also said.