

Two high yielding paddy varieties innovated

MYMENSINGH, Dec 5: Bangladesh Institute of Nuclear Agriculture Research (BINRA) has innovated two high yielding varieties of paddy and its seeds are expected to be marketed from next year, reports UNB.

BINADHAN-5 and BINADHAN-6 can produce 5.6 tons of rice per hectare and 5.5-6.5 tons per hectare respectively on an average.

The life of BINADHAN-5 is 155+5 and BINADHAN-6 160+5 days.

National seeds board approved the newly invented varieties on November 24, said a press release.

Scientist Dr Ali Azam, the inventor of the new varieties, said fine quality BINADHAN-5 can produce seven tons and BINADHAN-6 a record production of more than eight tons if special care is taken.

Director General of BINRA Dr M Idris Ali hoped that BINADHAN-5 and BINADHAN-6 will help reducing the food scarcity in the country.

### Workshop on insurance risk mitigation on Dec 19

A day-long workshop on "Catastrophic risk mitigation through insurance and re-insurance" organised by Bangladesh Insurance Academy (BIA) will be held at a city hotel on December 19, says a press release.

Dr Jamilur Reza Chaudhuri of BUET, Harun-ur-Rashid, Executive Director of United Insurance Co Ltd and A R Bhuiyan, AMD of Green Delta Insurance Co Ltd, will present the keynote papers while A K A H Chaudhuri, ex-managing director of Sadharan Bima Corporation, Hashmat Ali, Managing Director of Central Insurance Co Ltd, K M Mortuza Ali, Director of Bangladesh Insurance Academy and Dr Mehedi Ahmed Ansari, Assistant professor of BUET, will take part in the panel discussion.

### ICC workshop on millennium bug tomorrow

A day-long workshop on "Impact of the millennium bug on international business and commerce" will be held in the conference room of Metropolitan Chamber of Commerce and Industry on Monday, reports APB.

Senior executives of commercial banks, insurance companies, export and import houses and various other enterprises will take part in the workshop organised by the International Chamber of Commerce, Bangladesh.

The workshop is intended to create the millennium bug alert in different sectors like banking, insurance, trading and communications wherein the problem is presumably not sufficiently addressed as yet, said a press release issued yesterday.

Dr Jamilur Reza Chowdhury of BUET and Dr Abdus Sobhan of Bangladesh Computer Council, Science and Technology Secretary and National Advisory Committee on Y2K Problem chairman Fazlur Rahman and MCCI president Laila Rahman Kabir, among others, will participate in the discussion.

US, Canada reach agreement on farm trade

WASHINGTON, Dec 5: US and Canadian negotiators reached agreement Friday to ease tensions over farm trade through stepped-up monitoring of Canada's wheat sales and lower barriers on American grain and livestock moving northward, says AP.

The agreement stops short of meeting the demand by some farmers and ranchers that Canada limit what it ships to US markets.

But US Trade Representative Charlene Barshefsky said the agreement "will help solve many of the problems faced by grain growers, the cattle industry, and pork producers."

The United States will triple the information it collects on imported Canadian wheat to determine whether the grain is being sold below cost.

US farmers have long claimed that the grain is being dumped in American markets. Canada denies the charge but has refused to disclose how the wheat is priced or to limit the amount that is shipped.

Canada also will provide quarterly forecasts of its wheat shipments, end a quarantine requirement on US hogs and allow some American grain to be shipped on its railroads to Pacific ports or sold directly to Canadian elevators. Additionally, the two countries will speed the standardization of regulations for pesticides and animal drugs, and Canada also is relaxing barriers on imports of US cattle.

The talks started this fall after several governors in Northeastern states slowed border crossings by stepping up inspections of Canadian trucks.

Bangladesh's macroeconomic stability fragile, says top British official

## Defence budget raising burdens

A top official of UK who administers international development aid identified several built-in flaws of Bangladesh's economy and said economic reform need to be expedited despite political compulsions, to needs."

"We want faster role in reform and we are prepared to increase support to it," said John Vereker, Permanent Secretary of Britain's Department for International Development (DFID).

Addressing a press conference at the British High Commission here Friday, he said: "Economic stability is fragile and insufficient foreign exchange reserves, a narrow ex-

port base and weak revenue performance."

The DFID Secretary was also critical of the country's defence spending, saying "military expenditure is a substantial and increasing burden which ... appears disproportionate to needs."

John Vereker, who came here on a 3-day visit, signed on Thursday an agreement for financing three new projects worth 14.34 million pounds or Tk 114.72 crore in the country's development sector. ERD Secretary Dr Masihur Rahman finalised the deal on the home side.

He said the weakness of the financial sector, reeling under political strains and poor governance, "threatens future stability, notwithstanding the limited direct impact of the regional economic crisis."

Vereker said Britain, the second-largest bilateral donor to bankroll Bangladesh's development needs, is providing 66 million pound sterling (Tk 528 crore) as development assistance in the current fiscal year.

The DFID Secretary said he came here with twin purposes to have discussion with the government and NGOs on how "we can help Bangladesh in tackling poverty" since his department deals with both promoting development and reduction of poverty.

And to hear about the plans of Reforms in Budget and Expenditure Control as well as programmes in health and population sector to improve the health service.

Replying to a question Vereker said Britain has plans to raise its annual aid to Bangladesh providing 45 million pounds in 1998-99, 55 million in 1999-2000 and 65 million pounds in 2000-2001.

"This signals our vote of confidence" in Bangladesh, he told newsmen.

John Vereker told a questioner that although Bangladesh's economy remained stable with encouraging growth in garment sector, the country

is not still fully integrated with global economic competition.

He forewarned that the country must be prepared to cope with a situation that will be unfolding after 2005 when GSP facilities being provided by EU would be gone. The economy here needs to be transformed and diversified.

In reply to a question, the British executive admitted that the fact that development in a Third World country like Bangladesh is "difficult" with fragile environment punctuated with frequent natural catastrophes like floods and typical political developments.

Referring to bureaucratic red tape, he said it would only delay the projects and breed "corruption."

Vereker also suggested a calm political scenario, saying that frequent strikes would scare away investors. He said credible financial system and developed infrastructure are required to induce people to invest.

The DFID Secretary however noted there had been impressive gains in some social indicators — fertility education, primary education and availability of drinking water.

To a question, Vereker said the percentage of people below poverty line had decreased.

British High Commissioner David Walker was present in the conference.

World Banks sees challenge for Indian economy

NEW DELHI, Dec 5: The World Bank (WB) has made a depressing forecast for India, warning that failure to achieve its stipulated growth target of over six per cent for the current year would represent one of the biggest challenges for the country's economy, reports Xinhua.

In its ninth annual report on the world economy, the World Bank says that "policy drift" and weak industrial performance have slowed India's economy. Besides, depressed export markets in East Asia since they had come to account for a significant share of India's exports.

Competition from East Asia in other markets will slow the growth of exports, especially from India and Pakistan, it says.

The World Bank report complains about the lack of any "concrete proposal" in India's budget for 1998-99 for further substantial reductions in the public sector deficit.

If growth targets of over six per cent do not materialise, the total public sector deficit could well persist at more than nine per cent of the GDP, representing one of the biggest challenges for the Indian economy," it warns.

Vietnam pushes for Cambodia's ASEAN entry

HANOI, Dec 5: Vietnam, host of the sixth ASEAN summit later this month, is pushing hard for Cambodia's admission into the nine-nation organisation, says AP.

Vietnam has been trying its best to reach consensus among ASEAN member countries on admission of Cambodia before or at the summit in Hanoi in the interests of peace, stability, and development in the region, Prime Minister Phan Van Khai said in a statement.

The statement, issued Friday and published in the Nhan Dan newspaper Saturday, was in response to a letter Wednesday from Cambodia's King Sihanouk asking Association of Southeast Asian Nations to consider its application.

Khai said Vietnam has always supported Cambodia's admission and that the conditions are ripe following the recent establishment of a legitimate government in its long-troubled neighbour.

The implementation of ASEAN founders' dream of ASEAN-10 is of strategic importance and in accordance with the interests of ASEAN and Cambodia," Khai said.

Some Asian countries have cited political instability in Cambodia as the reason for withholding its membership.

Russia launches food, fuel delivery in crisis-hit areas

MOSCOW, Dec 5: Russia launched operations Friday to bring food and fuel to needy outposts in the far northeast, where the country's economic crisis has made a hard life even harder for many people, reports AP.

More than 30 tons of food were delivered to three places in the Chukotka Peninsula, including Wrangel Island, where three filmmakers were airlifted to safety earlier in the week after they ran out of food.

Villagers on the island have also been running low on supplies, and a helicopter brought one ton of vegetables to the village of Ushakovskiy as part of a larger arctic airlift, the ITAR-TASS news agency reported.

A fuel tanker left the southeastern port of Nakhodka with more than 15,000 tons of fuel that it was taking to two ports on the Chukotka Peninsula, one of many places in the northeast where fuel supplies have become critically low as a result of the economic crisis.

ITAR-TASS said the tanker Samotol is expected to reach the ports of Egevkinot and Providenie in a week, but will have to wait for an icebreaker to lead it into port.

The entire sprawling Chukotka region, including the surrounding islands, has about 80,000 people.

Meanwhile, in the southeastern territory of Primorsky, officials announced a programme to stockpile food reserves to protect people from the effects of potentially steep price increases. Inflation is expected to be over 70 per cent this year.

In other signs of tough economic times:

— Several hundred teachers in northern city of Arkhangelsk, who have been on strike since Nov 12, picketed the mayor's office and city administration, demanding wages that haven't been paid for up to five months, ITAR-TASS said.

Ambulance crews in the Ural Mountains city of Nizhny Tagil held a two-hour warning strike, during which they responded only to extreme emergencies. They are demanding wages that haven't been paid for four months.



IT'S THE BRICK MAKING TIME: Workers are busy in preparing brick blocks. Later these are sold at varying rates according to their quality.

— Star photo by A K M Mohsin

## Filipinos considering jt venture proposals

Filipino businessmen are examining proposals for setting up a cement factory and a food processing plant in Bangladesh under joint venture, head of a visiting business delegation from the Philippines has said.

Talking to APB, Miguel Z Patolat, head of a 3-member delegation, said they got some proposals and ideas from Bangladeshi businessmen for setting up joint-venture plants.

"We are considering the proposals, but it will take some time," Patolat said in an interview on Friday, a day before their departure for Manila. "A lot of interactions are needed to know each other," he said.

Filipino businessmen are interested in importing urea fertiliser from Bangladesh and exporting cement. "We used to sell cement to you some years back."

He said they are also interested in infrastructure development on the basis of Build

Own Transfer (BOT) as "the Philippines has a long experience in this field."

Examining investment atmosphere and finding out "comfortable" business partners here were the objectives of their first visit, said Patolat, head of the Countertrade Group of Makati City.

He said he was looking for a partner to set up a joint-venture trading centre in Dhaka to expand business to neighbouring countries.

Patolat, also vice-president of Philippines International Trading Corporation, stressed on frequent communication between businessmen of the two countries. "Business moves on personal contract," he said.

He said Filipino businessmen knew little about Bangladesh and the prevailing investment atmosphere here. Bangladesh is known as a country of natural calamities in the Philippines, he added.

checked for such glitches and accepted only when tests show positive results".

\* Hardware shutdown

\* Data corruption

"These are not simply technical issues, but core business and regulatory concerns. Calendar dates are very important in the computerised registration of shares, dividend or bonus payment systems, which could turn into a disastrous scenario," the SEC said in its letter.

"Considering the importance of the issues, we strongly urge your company to take appropriate and necessary measures to avoid millennium bug-related problems," SEC added.

**CSE response to SEC**

In its reply to SEC, the CSE said that it was well-aware of the Y2K issue. "CSE is careful in selecting and installing new systems. All the newly-adopted systems/sub-systems are

checked for such glitches and accepted only when tests show positive results".

The letter also said that every CSE software was tested before installation. But it, however, was not sure of some of the back-office software.

"The back-office software developed during CSE's preparatory phase needs to be upgraded," the reply said.

It also said that the bourse had set a June, 1999, deadline for Y2K compliance.

**SEC automation and Y2K compliance**

The SEC officials said that the automation of the watchdog's Y2K-compliant local area network (LAN), funded by ADB, would be completed by next year. Some of the existing hardware are Y2K compliant and those which are not are being replaced or fixed up.

## Shrimp processing plants meet EU standards

By Rafiq Hasan, back from Khulna

When the century comes to an end and the year 2000 gains its footing, it may spell disaster for the country's stock businesses. A company may end up with wrong calculations regarding its dividend pay-outs or a security firm may execute transactions never ordered by an investor.

These are not mere probabilities, but are very likely as listed companies and security firms have poorly responded to a SEC warning calling for Y2K compliance of their computer software.

But the SEC, like the regulatory bodies in other countries, is very much worried about the Y2K bug.

SEC officials said that the issue should not be taken lightly as it may cause serious problems in future.

Sources said that the DSE was not taking the issue seriously because its computer software was installed in Au-

gust this year and is supposed to be Y2K compliant.

The SEC in August this year formed a five-member committee to review and monitor the compliance of the year 2000 by the stock exchanges, brokers, dealers, issuing companies, merchant banks and custodian banks.

The year 2000 (Y2K) computer poses a serious challenge to the world's securities markets," said the SEC letter to the companies. The problems that are expected to arise out of non-compliance with the 2000 problem are:

\* At midnight on January 1, 2000, the internal date will change from 31/12/99 to 01/01/00.

\* All hardware and software that use the two-digit year convention will potentially start malfunctioning because the system will incorrectly read 2000 as 1900 or some other er-

roneous date.

The government arranged Tk 40 lakh loans for each processing plant which were keen to improve their hygiene conditions.

While visiting some processing plants in Khulna, it was found that even the shrimp-carrying vans were

washed at the entrance of the plants before letting them go inside.

Inside the factories, the workers and employees were

wearing aprons, gum boots, gloves and masks. A minus 20 degree Celsius temperature is maintained in the warehouses.

The exporters also spoke highly of the role played by the Fisheries Department in devel-

oping