

EU finance ministers rap Italy over deficit

BRUSSELS, Jan 9 : European Union finance ministers on Monday warned Italy it was in danger of breaching its commitments as member of the single European currency, reports AFP.

But they stopped short of explicitly ordering Rome to redraw its economic plans for the next three years, as was recommended last week by the European Commission.

In a statement on Italy's economic forecasts for 1999-2001, the ministers warned that Rome's forecast of growth this year and next was clearly too optimistic.

As a result, the declared objective of cutting the budget deficit to one percent of GDP in 2001 could require additional corrective measures on a larger scale than identified."

Under the Stability Pact rules which are binding on countries which have adopted the euro, governments are required to adopt policies aimed at balancing their budgets over the medium term.

This requirement is designed to ensure that during economic slowdowns deficits do not rise above a ceiling of three percent of GDP. Countries which breach this ceiling can be fined heavily.

The ministers said that while a budget deficit of one percent would allow Italy to weather a normal cyclical downturn, they recommended a lower deficit to accelerate the reduction in the country's overall debt level.

Italian Treasury Minister Carlo Azeglio Ciampi has acknowledged that growth in 1999 would probably not exceed two percent of gross domestic product (GDP) this year compared with an initial forecast of 2.5 percent.

He said the Italian government would present new projections in May along with a three-year budget plan.

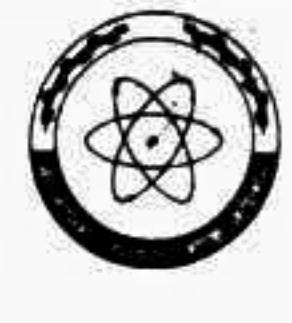
The ministers also criticised Portugal's economic planning, which is aimed at bringing the country's budget deficit down to 0.8 percent by 2002.

This was "compatible" with Stability Pact requirements. But in view of the current high level of economic activity in Portugal, a more rapid decline in the deficit could be accomplished.

In contrast to the criticism of Italy and Portugal, the ministers praised Britain and Sweden, which both opted out of the euro launch, for their progress towards eliminating their deficits and reducing inflation.



The BMW X5 recently made its debut at the North American International Auto Show in Detroit. The new sport utility vehicle, which BMW calls a sports activity vehicle, will be made in Spartanburg, SC, this year. — UNB/AP photo



Bangladesh Atomic Energy Commission

Post Box No-158, Ramna
Dhaka

No-Establishment-1-3(1148)/95
Subject: Allegations — Begum Tahmina Akter,
Assistant Engineer, Atomic Energy Centre,
Dhaka.

As Begum Tahmina Akter, an Assistant Engineer was granted earned leave for 1 month 24 days as per memo of dated 04-01-98 to meet her relatives in USA subject to the hand over her responsibility at her place of work and she left the country for abroad on 15-01-98 after hand over the charge. She has not yet join her work although her period of leave has expired on 01-03-98.

As she was directed through a memo dated 30-06-98 to join her duties after coming back from abroad immediately in her permanent and temporary addresses and for not joining her own place of work on 23.08.98 and not contacting the Commissioner, she has been called for explanation. No reply has yet been received against the explanation called for. The Research and Development Activities of the Commission have been hampered due to her unauthorised leave.

As this sort of activity is contrary to office discipline and pleasant conduct and it is a punishable offence.

As she has been accused of negligence of duties and misconduct as per Clause 57(2) and (3) of BAEC Service Regulation 85.

Her written reply as to why punitive action will not be taken against her as per Clause 58 in the regulation in one or more than one way for the allegations mentioned will have to be reached the undersigned within 10 (ten) days of the publication of those allegations in the newspaper. If she wants to give hearing herself, she will have to inform about it in writing within the stipulated period. Otherwise the authority will be obliged to take action unilaterally.

Md Mojibur Rahman Bhuiyan
BAEC/Sci Information-1(2)/14-382
Chief
DFP-2144-3/2
Administration and
Establishment Division
G-232

Notice Inviting Tender of Roads and Highways Department

1. Tender notice number : 77 BRD of year 1998-99.
2. Name of work : Winter uniform making and supply for Class IV employees of Barisal Zone, Circle, Division, Sub-Division-1 under Barisal Road Division during the year 1998-99.
3. Estimated cost : Tk 1,52,551/-
4. Security money : Tk 3,052/-
5. Time limit for completion of work : 20 (twenty) days.
6. Eligibility of contractors for submitting tender : From 'A' to 'C' general category of Roads and Highways Department, 'D' general category of Barisal Road Circle and 'E' category of enlisted contractor of Barisal Road Division.
7. Offices where tender schedule will be available : Executive Engineer, R&H, Road Division, Barisal/Pirojpur/Patukhali/Bhola/Jhalakathi/Barguna/Sub-Divisional Engineer, R&H, Road Sub-Division-1/2, Barisal 1st Line Workshop Sub Division, Barisal on all working days during office hours except holidays. No tender form will be sold on the day of opening tender.
8. Last date and time of selling tender schedule : 23-02-99 till 5 PM.
9. Offices where tenders in sealed conditions will be received : Superintending Engineer, R&H, Road Circle, Barisal/Executive Engineer, R&H, Road Division, Barisal/Jhalakathi/Pirojpur.
10. Last date and time of receiving tender in sealed conditions : 24-02-99 at 12:45 PM.
11. Date and time of filing sealed tenders : 24-02-99 at 12:45 PM.
12. Place, date and time of opening tender : Executive Engineer, R&H, Road Division, Barisal office, 28-02-99 at 11:00 AM.
13. Date and time of lottery : 28-02-99 at 3 PM.

Md Abus Sattar
Executive Engineer, R&H
Barisal Road Division.

DFP-2183-4/2

G-230

Ex-BMW chief to get golden handshake

BERLIN, Feb 9 : The sacked chairman of German car maker BMW, Bernd Pischetsrieder, will be offered a golden handshake of about 15 million marks (7.67 million euros, 8.74 million dollars), the highest pay-off in German corporate history, the Die Welt newspaper estimated on Tuesday, reports AFP.

The newspaper based its calculation on the assumption that Pischetsrieder would continue to be paid his usual annual salary of about 3.5 million marks (1.79 million dollars) until the date his contract was due to expire in May 2003.

This was normal procedure for companies paying off senior executives, on condition that the usual dismissal rules were followed, the newspaper argued.

Pischetsrieder might also see his corporate pension also topped up substantially to ease the pain of departure, Die Welt said.

And the disgraced chairman could also continue to receive remuneration for supervisory board positions and other activities, the newspaper said.

BMW's supervisory board sacked Pischetsrieder after a gruelling seven-hour meeting on Friday and installed the little known Joachim Milberg in his place.

Malaysian forex reserves rise to \$28b

KUALA LUMPUR, Feb 9 : Malaysia's foreign reserves rose to 106.228 billion ringgit (28 billion dollars) at the end of January from 104.165 billion ringgit two weeks earlier, the central bank said today, reports AFP.

Foreign reserves have been rising since Malaysia introduced sweeping capital controls in September last year. Bank Negara Malaysia reports its assets and liabilities every fortnight.

The ruling came in a case brought by Cable and Wireless Plc of Britain, which argued that the FCC was overstepping its authority by trying to extend its regulatory reach to non-US carriers.

The ruling held valid the FCC's attempts to lower "chronically high settlement rates," Salomon Smith Barney said.

Maslyukov added that talks with the Fund had been "extremely difficult."

Thereafter "we will invite Candessus or (deputy director Stanley) Fischer," Maslyukov said, adding that the top-level visit could take place from February 18-20.

Candessus last visited

Moscow in December, and left

offering a hint of encouragement but no concrete promises.

THE TARGAOL JELLAOR
বিদ্যুৎ বন্ধের বিজ্ঞপ্তি
তারাবার সর্বসাধারণের অবগতির জন্য জানানো যাইতেছে যে, টার্গাইল সীড়ি উপকেন্দ্রের জরুরি মেরামত কাজের স্বার্থে আগামী ১২-২-১৯৯২ইং শুক্রবার সকাল ৮.০০ ঘটিকা হইতে বেলা ১১.০০ ঘটিকা পর্যন্ত টার্গাইল জেলায় সম্পূর্ণ বিদ্যুৎ সরবরাহ বন্ধ থাকিবে।

উক্ত সময়ে বিদ্যুৎ সরবরাহ বন্ধ থাকার কারণে সম্বান্ধিত প্রাক্তনবন্দের সাময়িক অসুবিধার জন্য বাংলাদেশ বিদ্যুৎ উন্নয়ন বোর্ড আস্তরিকভাবে দৃঢ়ু কৃত।

প্রকল্প পরিচালক
বিদ্যুৎ/জন-১০৭৫(৩)/৯৮-৯৯
আর আর এজিএস (পূর্ব) বিড়বো, ঢাকা।

BCIC International Tender Notice

বিসিআইসি'র পণ্য শিল্পায়নে জাতীয় অবগতির প্রতীক

Sr General Manager (Purchase), Bangladesh Chemical Industries Corporation, 30-31, Dilkusha C/A, (16th floor), Dhaka invites sealed quotation under 2 (two) envelope system against Tender Enquiry No PUR-3.1489/98-99 dated 1-2-1999 for 14.00 M³ Primary Reforming Catalyst on C&F (C) Chittagong liner term basis under Cash Foreign Exchange. Offers shall be received up to 11:00 AM on 10-3-1999 and shall be opened immediately thereafter. Tender documents will be available on payment of Tk 750.00 per set (non-refundable) from (i) Controller of Accounts, BCIC, Dhaka (ii) Sr General Manager, BCIC Branch Office, 6, Agrabad C/A, Chittagong.

Earnest money is 1% of the total quoted value. No tender documents will be sold on the date of opening and no late offer shall be accepted. Buyer reserves the right to accept or to reject any or all bids without assigning any reason thereof.

BCIC-102-2/299
DFP-2170-3/2

US court ruling hits Asian phone firms

The FCC order caused a stir with non-US telecoms operators standing to lose billions of dollars in revenues due to the US move to slash by up to 70 percent the rates which determine the amount one phone company pays to another to connect an international call.

According to US regulators, international calls from the United States cost 99 cents a minute on average, compared to 16 cents for long-distance domestic calls within that country.

It blamed the "historical over-dependence" of Asian utilities on international revenues and the "current political unpalatability" of raising local service rates in many regional economies for the predicament of regional phone firms.

The economic slowdown resulting from the 1997 currency crisis has made raising tariffs politically difficult, the report said, at a time when phone firms are facing up to rising competition.

The ruling by the US Court of Appeals for the District of Columbia Circuit upheld the US Federal Communications Commission's so-called "benchmark settlement rates" order of 1997, it said.

The FCC order set ceilings on rates that US carriers would be allowed to pay for settlement of international traffic around the world. The rates were previously set by bilateral negotiations between telecom carriers.

The ruling came in a case brought by Cable and Wireless Plc of Britain, which argued that the FCC was overstepping its authority by trying to extend its regulatory reach to non-US carriers.

The ruling held valid the FCC's attempts to lower "chronically high settlement rates," Salomon Smith Barney said.

It stressed that the losses were an accounting loss that would not mature until 2007-2011 and that "the current charge does not represent cash exiting the business."

The final cost of the Japanese yen aeroplane contracts would depend on future exchange rate fluctuations, BA said.

The company has not hedged the contracts on the financial markets because the yen contracts will be settled from its annual yen income.

BA said that excluding this Japanese accounting charge, it would have made a quarterly profit of 42 million pounds.

The company said that it had suffered from a fall in high-paying business custom. BA recently unveiled an overhaul of its airline fleet to concentrate on this high-yield sector rather than the booming but less profitable economy class.

The loss compared to a pre-tax profit of 80 million pounds in the third quarter of the previous year.

In the nine months to January, BA earned pre-tax profits of 310 million pounds, compared with 510 million pounds one year earlier.

BA said that excluding this Japanese accounting charge, it would have made a quarterly profit of 42 million pounds.

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BA chief executive Bob Ayling said in a statement: "Economic conditions and increased competition on our routes have resulted in excess capacity which is forcing yields down."

He added a silver lining with a pledge that "British Airways will emerge from the current difficult market conditions with lower costs and an aircraft fleet focused on the most profit-

Tender schedule with terms and conditions will be available for sale at the above address on all working days during office hours.

No tender schedule will be sold on the date of opening of the tender.

DFP-2090-3/2
G-221

Exchange Rates

Following are yesterday's Standard Chartered Bank exchange rates of major currencies against Taka

Central bank USD/TK rate: Buying—BDT 48.35/Selling—BDT 48.65

Selling	Buying	Currency	TT Clean	OD Sight Doc	OD Transfer
TT/OD	BC	USD	48.7500	48.3150	48.0708
0.4294	0.4297	JPY	0.4181	0.4167	0.4180
34.5903	34.6187	CHF	33.9382	33.8238	33.6937
28.9903	28.9541	SGD	28.4256	28.3314	28.2819
32.9010	32.9281	CAD	32.1778	32.0712	31.9513
6.2276	6.2427	SEK	6.1336	6.1003	6.1003
32.0804	31.1068	AUD	30.8296	30.7276	30.5298
12.8529	12.8635	MYR	12.6801	12.6381	12.6061
6.2945	6.2997	HKD	6.2266	6.2059	6.1927
13.0342	13.0449	SAR	12.8426	12.8000	12.7665
13.2889	13.3099	AED	13.1180	13.0746	13.0411
0.0415	0.0415	KRW	0.0411	0.0409	0.0408
80.3374	80.4034	GBP	78.6955	78.4347	78.1535
55.9093	55.9553	EUR	53.983	53.8035	53.7095
Usance Export Bills					