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# The Daily Star BUSINESS

DHAKA, SUNDAY, FEBRUARY 21, 1999

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## WTO DG due in city tomorrow

Renato Ruggiero, Director General (DG) of World Trade Organisation (WTO), arrives in Dhaka tomorrow on a two-day visit. Commerce Ministry officials said yesterday, reports BSS.

During his stay in Dhaka, Ruggiero will meet Prime Minister Sheikh Hasina, Foreign Minister Abdus Samad Azad, Commerce and Industries Minister Tofail Ahmed, leaders of business community and members of the press.

The top WTO official will discuss issues including environmental aspects of different trades, non-tariff barriers and linking trade to labour standards, the officials said.

The WTO DG will leave Dhaka on February 23.

## Pakistan may get \$ 1116m from IMF till 2001

ISLAMABAD, Feb 20: The International Monetary Fund (IMF) has tentatively indicated that it would further release a total of 1116 million dollars to Pakistan between fiscal years 1998-99 and 2000-2001, reports PPI.

According to the break up, 53 million dollars would be released during fiscal 1998-99, 936 million dollars in 1999-2000 and 127 million dollars in 2000-2001.

The IMF Executive Board had approved a package for Pakistan under Enhanced Structural Adjustment Facility (ESAF-Extended Fund Facility EFF and Compensatory and Contingency Financing Facility CCF) on January 14, 1999.

Under this package, an amount of 574.41 million dollars as the first instalment has already been received from the Fund, said Federal Finance Minister Muhammad Ishaq Dar in written reply to a question from Senator Habib Jalib Baloch Friday in the Senate.

He also provided copy of the Policy Framework Paper PFP concluded with IMF containing details of the package and conditionalities.

To a question from Syed Qasim Shah, the Minister said the government of Pakistan has not decided to discontinue Afghan transit trade.

## 2nd AGM of CDF held

The 2nd Annual General Meeting (AGM) of Credit and Development Forum (CDF) was held at its office premises in the city yesterday, says a press release.

SK Sarkar, Chairman of CDF, presided over the meeting. Sarkar discussed the prevailing micro-finance situation of the country.

He hinted that the CDF would work especially in the field of guarantee financing, credit rating for selection of potential NGOs for funding by the donors and the banks and developing standards for financial statements.

He also underscored the need for preparing a common micro-finance vocabulary for the NGOs for uniform understanding of various terms and terminology.

Md Enamul Haque, Vice Chairman, exhorted CDF management to collect the best micro-finance practices from outside world and disseminate the same among practitioners in the country.

The Executive Director of CDF read out the minutes of last AGM and presented report on the activities of CDF in the year 1998. Md Mosharraf Hossain, Treasurer of CDF, presented the audited financial reports.

The meeting adopted the minutes of last AGM and approved annual activity and audited financial reports for the year 1997 and 1998 and plan of operation and budget for the year 1999.

The members made detailed discussion on CDF's activities and gave suggestions for future development.

## Singapore's trade shrinks 12.7pc in January

SINGAPORE, Feb 20: Singapore's trade shrank 12.7 per cent in January, reflecting the weak global demand for electronics related products and depressed regional economic conditions, the government said Saturday, reports AP.

Non-oil imports, such as cigarettes, radios and disk drives, declined by a severe 14.4 per cent.

Non-oil re-exports plummeted by 13.8 per cent, the Trade Development Board said in its monthly report. The decline was mainly in key electronic products such as integrated circuits, disk drives and printers. But there were increases in optical disk drives, semiconductor parts and capacitors.

Non-oil domestic exports contracted by 5.9 per cent.

Domestic oil exports fell by 7 per cent, less than the double digit declines of the past 12 months, the report said.

Of Singapore's five top markets for non-oil domestic exports, only the European Union expanded marginally, at 1.6 per cent, said the report.

## 32-point BGMEA poll manifesto unveiled

# Backward linkage industry tops Forum-Parishad agenda

Star Business Report

Anisur Rahman Sinha, leader of the Forum-Sammilita Parishad, one of the two panels contesting the upcoming Bangladesh Garments and Manufacturers and Exporters Association (BGMEA) elections, yesterday said that if elected to power his main task would be to expedite setting up of backward linkage industries to meet the challenges of the next millennium.

In the year 2005, the quota system would come to an end, and if we do not prepare ourselves for that situation well in advance, the garments industry

would face serious threats," said Sinha at a press briefing to present the panel's 32-point election manifesto.

The BGMEA election is set to be held on March 4.

He said an estimated Tk 4500 crore would be needed to set up adequate number of backward linkage industries to meet the country's fabrics requirements by the year 2000. "We would seek government support for making the fund available."

Dwelling upon the current situation in the garments in-

dustry, he said that almost 800 garments factories were now in a bad shape and the sector's overall export performance was not satisfactory.

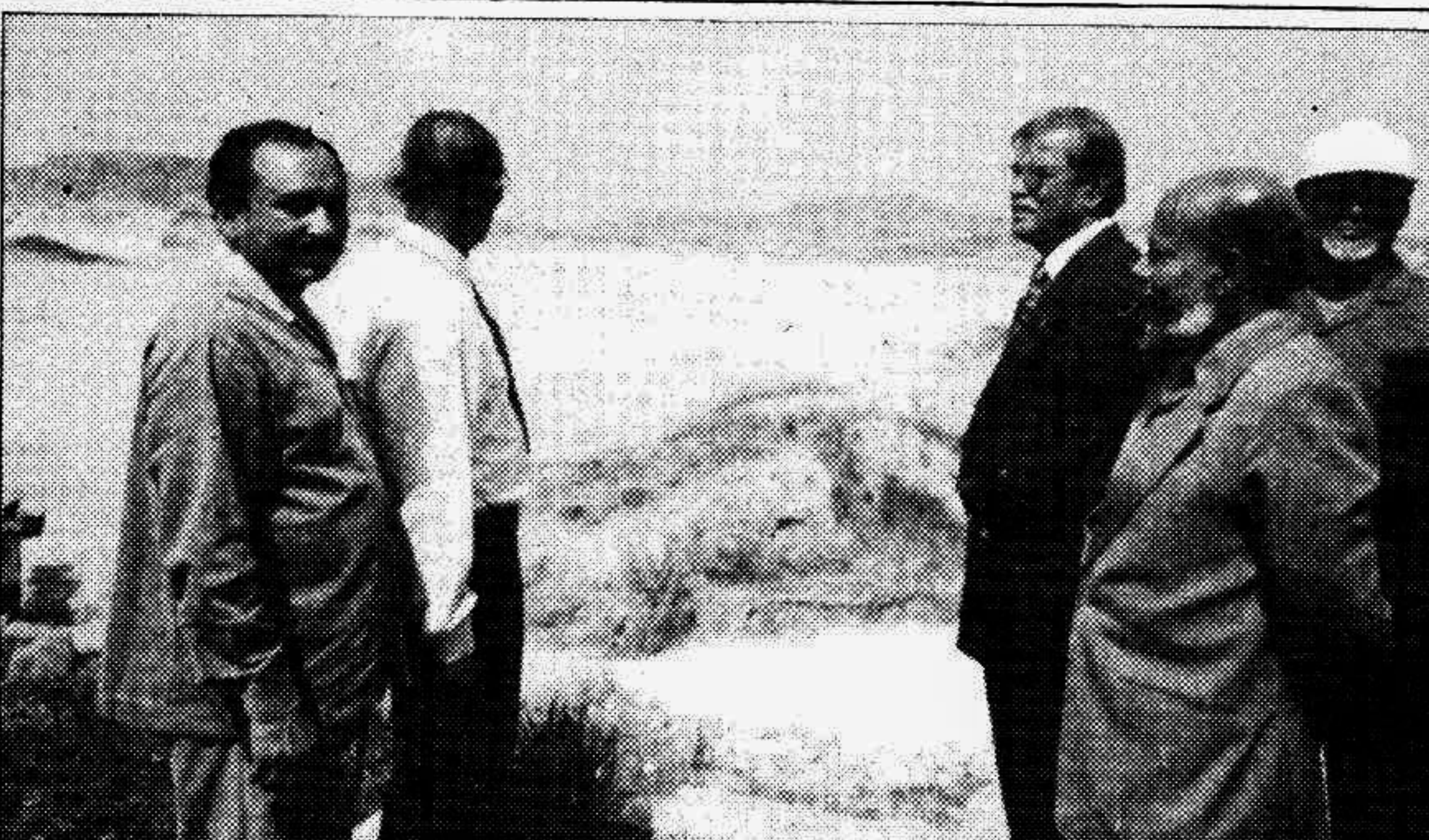
"So, the coming election is very important since it offers the chance to choose the right leadership for the sector. Actions to be taken in the next two years will decide how the sector would perform after the year 2004," Sinha said. "The Forum-Sammilita Parishad manifesto has addressed the need of the garments sector in the post-2004 era."

Forum Secretary Annisul

Huq said that a long-term plan should be taken to salvage those garments units which fell victim to the stock-lot situation. "They should be allowed to repay their loans over an extended period of time by waiving interests."

The manifesto also promises to work towards waiving 0.25 per cent tax at source within three months.

The leaders also demanded a 10 per cent cash incentive for the sector to face competition from the Southeast Asian nations.



State Minister for Land Rashed Mosharraf recently visited KEPZ project in Chittagong along with Kihak Sung, Chairman of Youngone. They were accompanied by Land Secretary Omar Faruque, Divisional Commissioner Shakhawat Hossain, Deputy Commissioner Hassan. — Youngone photo

## Speakers at seminar on software industry say

# Intellectual rights protection needed for IT sector growth

Star Business Report

Speakers at a seminar yesterday said that protection of intellectual property rights would benefit the country's software and information technology (IT) sector by attracting foreign investment and technology in the sector.

Addressing a seminar on "Software Industry of Bangladesh: Prospects and Problems" organised by the Department of Business Administration of the Jahangirnagar University (JU) at the Social Science Gallery, they also said that an effective intellectual property rights (IPR) law would ensure needed reforms in the IT sector for creative manpower

employment. With the Treasurer of Dhaka University Prof. Shamsul Haq in the chair, the seminar was attended by Managing Director of Computer Solutions Limited Moin Khan. It was part of a series of seminars arranged for the MBA students of the department.

The seminar was told that poor human resource, lack of infrastructure back-up and required financial aid for the IT industry were posing as barriers to the growth of the export-oriented software and data processing industry of the country. The participants also observed that the course curricula

for computer-related education followed in different universities did not fully reflect the requirements of the IT sector, especially for software development.

They also said that the number of graduates in computer-related subjects produced by the universities each year was far below the actual requirement. Besides, they emphasized ensuring the quality of private IT training institutes, necessity of following a standard course curricula and examination system and a planned scheme to increase computer literacy.

Other than the lack of IPR law, the infrastructural problems include limited facility for high-speed data transmission, high data communication price, lack of high-speed video conferencing facility and absence of ISDN telecommunications line with fibre optic backbone.

Evaluating the prevailing situation in the software industry, Shuddhasattwa Rafiq, an MBA student who presented the key-note paper said: "Domestic software market is facing a lot of problems for lack of skilled manpower. Our computer graduates are not properly prepared for software development by the educational institutions and most of them use pirated software."

Identifying the absence of software documentation as a major technical problem facing the domestic market, he also said maintenance and upgrade of programmes is one of the major revenue-generating sources for software developers.

## UNICEF decries decrease in aid to poor countries

UNITED NATIONS, Feb 20: UNICEF on Friday urged G7 finance ministers meeting this weekend to consider debt relief and increased aid to the world's poorest countries, reports AP.

In the last 10 years, bilateral aid to the developing world has declined by 16 per cent, UNICEF said in a statement. In countries where the under-5 mortality rate is highest, the drop in aid has been 21 per cent.

"These are devastating figures which point to specific denials of the right of children and women to basic health, nutrition and education," UNICEF executive director Carol Bellamy said.

This weekend's G7 meeting in Bonn, Germany, presents an excellent opportunity to reverse the trend, UNICEF said.

Since 1992, the G7 nations' contribution to official development assistance has fallen about \$ 15 billion, the statement said.

## Coca-Cola to start selling bottled water in US

ATLANTA, Feb 20: Coca-Cola Co will begin selling bottled water in the United States this year, says AP.

It will be called Dasani (pronounced duh-SAW-nee), which doesn't mean anything in particular but is meant to convey "a clean, fresh taste."

"Since it is to say, we think this is the right time for us to get into this market," said Coke spokesman Scott Jacobson. Bottled water is hot these days, outstripping soft drinks in sales growth.

Dasani is expected to be available nationwide and in Canada before this summer in a light blue plastic bottle.

"If it's a Coke brand, it's going to sell. Why they waited five or six years to get into it, I don't know," said Steve Tesserau, manager of a busy Texaco station in suburban Atlanta.

The maker of the world's most popular soft drink sells a brand of bottled water called BonAqua overseas but has been reluctant to get into the business in the United States, preferring instead to encourage people to drink Coke. Sprite and its other sodas.

To meet increased demand among health- and weight-conscious Americans, Coke in recent years has begun offering sports drinks and juices.

But as recently as last month, M Douglas Ivester, chairman and chief executive, said Coke was leery of water. There's an awful lot of water sold in the world. There's not an awful lot of money made selling water."

Bottled water sales have jumped from \$ 2.65 billion in 1990 to \$ 4.3 billion in 1998. Sales grew nearly 10 per cent over 1997.



AKM Shamsuddin, Managing Director, Iftekharul Islam, Director (Marketing and Sales), and AKM Zahidul Islam, National Sales Manager of Rhone-Poulenc Rorer-Fisons Bangladesh Ltd, are seen with the award winning Medical Representatives and Area Sales Managers at the company's annual sales and distribution conference held in the city recently. — RPR-Fisons photo

## Looming food dearth threatens Asia

BANGKOK, Feb 20: Drought, floods, war and economic turmoil are threatening precarious food stocks in vulnerable Asian nations, according to a new United Nations report, says AFP.

Freak weather conditions, which triggered cataclysmic floods in Bangladesh and China last year and drought in Laos and Thailand, could worsen the region's "precarious" food security, the report by the UN Food and Agriculture Organisation (FAO) said.

Afghanistan's civil war, which has already inflicted decades of misery, could cut production in vital cereal-growing areas in northern provinces, said the report.

While much of southern China is still trying to cope with the impact of last year's floods, drought in northern and northwestern provinces meant

1998 was a difficult year for cereal production there, the report said.

India and Pakistan, however, are expected to boast strong wheat harvests, the report said.

The final rice yield for 1998 across Asia is expected to be 526.3 million tonnes, 16 tonnes less than in 1997, the report said.

"In Bangladesh, floods that affected most of the country during the period July to September resulted in severe damage to the paddy fields," the report said, adding that flooding also damaged paddy output in some Indian states.

Drought and localised pest attacks have hampered production in Cambodia and Laos and a slight drop in output is expected in Myanmar, the FAO said.



M Haider Chowdhury, Chairman of National Life Insurance Co Ltd, hands over a death claim settlement cheque for Tk 2.4 lakh to Gulnagar Begum, wife of policyholder late Fazal Karim of Chhagalnaya, Feni. — Nat'l Life Ins photo

## Top Japanese banks to cut 19,600 jobs

TOKYO, Feb 20: Pressing forward with unprecedented restructuring, fifteen of the Japan's top banks have announced they will cut 19,600 jobs over the next five years, a newspaper reported Saturday, reports AP.

The cuts are part of a wave of restructuring undertaken by banks in recent months to gain eligibility for government funds set aside to strengthen the ailing financial system.

Sakura Bank, currently with 16,700 employees, will carry out one of the largest reductions, cutting its staff 21 per cent to 13,200, the Nihon Keizai

newspaper reported.

The Bank of Yokohama Ltd., the nation's largest regional bank, will also cut 21 per cent of its workforce, from 5,718 workers to 4,512, the paper said.

Together, the 15 banks will reduce their number of directors by 133, or 26.5 per cent, it said.

The banks, which have amassed massive amounts of bad loans since the collapse Japan's "bubble" economy, submitted plans for restructuring along with applications for a total of 7.5 trillion yen (\$62 billion) in public funds.

## RPR-Fisons posts 27pc sales growth

Rhone-Poulenc Rorer-Fisons Bangladesh Ltd (RPR-Fisons) has posted a 27 per cent sales growth in 1998 over the previous year.

This was disclosed at the company's annual sales and distribution conference held in the city recently, says a press release.

The major accomplishments of the company in 1998 and its plans for 1999 were discussed in the conference.

Rhone-Poulenc Rorer has introduced in Bangladesh their life-saving research drug Taxotere for cancer and Clexane (low molecular weight heparin) for the treatment of unstable angina and deep vein thrombosis.

In the conference, the best Medical Representatives and Area Sales Managers were rewarded.

## Commodity Roundup

### Oil manages slight rise

LONDON, Feb 20: World oil prices managed a slight improvement this week, although the tendency remains a prolonged slump.

Brent, the reference North Sea crude, rose by six cents to 10.45 dollars a barrel for February on the International Petroleum Exchange in London. During the week, prices fell under the 10 dollar level.

On the New York exchange, light sweet crude for March rose 19 cents to 12.04 dollars.

There's general weakness in the market. Other commodities have been on the same pressure and that triggered some important funds liquidations," said Tony Machacek at Prudential Bache Brokerage.

"Oil is now well supported and we might have to wait until the next OPEC meeting," he said.

Trading activity was light as many investors were engaged at a conference in London.

**RUBBER:** Gone. Rubber prices were flat this week as many Asian markets were closed for the Chinese New Year.

The RSSI index in Kuala Lumpur fell to 2.58 ringgits a kilo from 2.62 ringgits. London's rubber index was unchanged at 470 pounds a tonne for March delivery and 480 pounds for April.

**COCOA:** Warm. Cocoa prices were stable, despite expectations of a large harvest in Cote d'Ivoire, the world's main producer, and a bout of speculative selling.

Cocoa for August closed at 905 pounds a tonne, down one pound.

**SUGAR:** Cool. Sugar prices hit a 12-year low point this week on speculative selling and an upward revision of world production estimates, while oil enjoyed a slight recovery, but remained caught in an overall slump, reports AP.

Sugar fell by seven dollars to about 215 dollars a tonne on the London futures market Liffeas brokerage Czarnikow revised production forecasts for 1998-99 to 129.79 million tonnes from the 128.50 million tonnes figures given three months ago.

Cyclone damage to Australian plantations did not counteract the price falls.

Elsewhere on the commodities markets, world oil prices rose in anticipation of a cut in US refinery production. However, the market remained gloomy, amid high supply and low demand worldwide.

**COFFEE:** Light. World coffee prices fell this week in response to a higher than expected rise in US green coffee reserves.

The US green coffee association said reserves rose 343,000 sacks in January to 1.751 million sacks.

**TEA:** Strong. At Mombasa, Kenya auctions, demand was good in all categories, the London Tea Brokers Association said.

Top quality BP1 teas rose in general and PFI teas rose 5 to 20 cents a kilo, medium quality teas also rose, while lower quality dust and dust teas rose two to 20 cents a kilo.

## Metal: Weekly Roundup

# Gold, silver spanked by further price slides

LONDON, Feb 20: Gold prices fell again this week in London as investors sold to move into the rising dollar, reports AFP.

On the London Bullion Market, gold closed at 286.85 dollars an ounce, down from 287.45 dollars.

Demand for gold fell by 11 per cent in 1998 to 2.712 tonnes, owing to massive selling in Asian in the first quarter, the World Gold Council said.

However, demand picked up by six per cent in the last quarter to 807 tonnes, compared to the same period in 1997.

**SILVER:** Beaten. Silver prices fell slightly this week on profit taking after a surge two weeks ago, trading three cents lower on the London Bullion Market at 5.46 dollars an ounce.

However, traders said that technical factors for the metal were good and that silver was more attractive to traders than gold at present.

**PLATINUM AND PALLADIUM:** Irregular. Palladium prices saw profit-taking this week, while platinum prices rose to a six-month high.

On the London palladium and platinum market, palladium fell seven dollars to 350 dollars an ounce, while platinum rose 10.5 dollars to 370 dollars an ounce.

Platinum was supported by speculative buying in Asia, not fundamental factors, and some traders said there were suspicions of market manipulation. Palladium prices were held up by the lack of Russian deliveries, then fell back on profit taking in light trading due to the Chinese new year.

Russia is the biggest palla-

dium producer and second biggest platinum producer. Its inability to sort out bureaucratic problems blocking exports is worrying investors who fear a severe shortage of supplies.

**ZINC:** Brighter. Zinc prices rose this week on the LME thanks to better demand and the rise in lead prices.

Three-month lead rose 10.2 dollars to 1,058.5 dollars a tonne, while LME reserves rose 175 tonnes to 309,775 tonnes.

The metal was also helped by the international lead and zinc study group, which said that demand of 6,432 million tonnes outstripped supply in 1998 by 87,000 tonnes.

**COPPER:** Flat. Copper prices hit 12-year lows this week in response to poor sentiment and a record level of warehouse stocks.

Three-month copper on the

London Metal Exchange fell 70 dollars to 1,406.5 dollars a tonne while LME reserves rose 7,400 tonnes to 685,725 tonnes.

The Chinese New Year meant that trading was very light early in the week. Sentiment was hit by doubts over general demand for copper and the slump in general in the commodities market.

**LEAD:** Light. Three-month lead fell 75 cent overall during this week to 525.75 dollars a tonne after reaching the highest levels in five months amid good demand.

LME warehouse stocks fell 75 tonnes to 107,225 tonnes. Ninety per cent of stocks are currently in the hands of a single, non-LME member investor. "This means that it's fundamentally better placed. There's not much material around and what there is controlled," a trader said.

The international lead and

zinc study group supported prices by reporting a 12,000 tonnes fall in lead reserves for 1998.

It also said there had been a 0.3 per cent fall in refined lead production to 6,014 million tonnes, including a 0.8 per cent all in industrialised countries.

However, total mining production in 1998 rose 1.4 per cent to 3,074 million tonnes and consumption fell 0.1 per cent to 6,005 million tonnes.

**ALUMINIUM:** Heavy. Three-month aluminium lost 14.3 dollars to 1,201.5 dollars a tonne this week on the London Metal Exchange, amid high and growing warehouse reserves, which rose 2,200 tonnes to 810,775 tonnes.

Base metal trading was hit by the weakening of the yen against the dollar reducing buying power in the crucial Japanese and other Asian mar-

kets. Volume was low due to the Chinese New Year and a holiday in the United States.

**PRODUCER:** Aluminium Bahrain said it would be keeping production at record levels of 500,000 tonnes a year, further dampening prices.

There was little reaction to signs of economic recovery in Asia and strong US economic data.

**NICKEL:** Shiny. Three-month nickel rose 235 dollars to 4,862.5 dollars a tonne on good technical factors and with a boost from lead and a fall in warehouse reserves.

LME warehouse reserves fell 1,866 tonnes to 63,816 tonnes.

**TIN:** Hot. Tin prices were boosted by nickel and lead, as well as technical factors.

Three-month tin rose 70 dollars to 5,252.50 dollars a tonne. LME warehouse reserves fell 145 tonnes to 7,07 tonnes.