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DHAKA, SUNDAY, APRIL 11, 1999

BRDB will be transformed into full-fledged directorate

LGRD and Cooperatives Minister Zillur Rahman yesterday said a process has been going on to transform Bangladesh Rural Development Board (BRDB) into a full-fledged directorate, reports BSS.

"It would be transformed into a full-fledged directorate to accelerate development activities in the rural areas," he said while inaugurating the 6th Biennial General Meeting of the BRDB Officers' Association.

Presided over by Mohammad Saleh Ahmed, President of the Organisation, the inaugural function was addressed, among others, by BRDB Director General Azizur Rahman, Secretary to the LGRD and Cooperatives Ministry Ahab Ahmed and Mohammad Asafudowla Secretary General of the association.

The minister said that the prime objective of the present government was to accelerate economic development in the rural areas of the country. "It is impossible to achieve overall development of the country without the improvement of the rural areas," he said.

He underlined the need for making each village a nerve centre of development for the overall development of the rural areas.

Referring to the activities of the BRDB, the minister said that it (BRDB) was playing an important role in the development of the rural areas by distributing fertilisers, pesticides, high yielding seeds and small credit among the rural people.

"BRDB has distributed a total loan of Tk 495 crore among the rural people under the Rural Development and Poverty Alleviation Programme this year," he said.

The minister urged the officers and employees of BRDB to bring the maximum number of rural people under its network for achieving all-out development.

Earth filling of Pakshey EPZ going on in full swing

PABNA, Apr 10: Earth filling work of the Pakshey EPZ, the lone EPZ in the northern region, is going on in full swing, reports UNB.

The primary works of the project started in December last year on 308.97 acres of land, officials said.

Some 116 plots have been included in the project. The plots will be allotted soon.

An ECNEC meeting with Prime Minister Sheikh Hasina in the chair in October last year approved Tk 73.41 crore to implement the project.

New DMD of Prime Bank

Syed Abu Naser Bukhtear Ahmed has joined Prime Bank Limited as its Deputy Managing Director.

Prior to joining the present position, he was working with Arab Bangladesh Bank Limited as its Executive Vice President, Head of Marketing and Branches Control Division/Audit and Inspection, says a press release issued yesterday.

Naser Bukhtear Ahmed obtained his MBA degree from the Institute of Business Administration, University of Dhaka, in 1969 and joined the State Bank of Pakistan in Karachi as a grade-1 officer.

He left Bangladesh Bank, in September 1974 and served the UAE Central Bank in Abu Dhabi, Dubai and Sharjah for 21 years.

Toshiba, Hitachi to tie up with General Electric

TOKYO, Apr 10: Japan's Toshiba Corp and Hitachi Ltd are to tie up with General Electric Co (GE) of the United States in the area of nuclear fuel, a daily said today, reports AFP.

Toshiba Hitachi and GE would set up a company to develop, produce and well nuclear fuel, the Asahi Shimbun said, adding the new company would be created by the end of this year.

Japan's Trade Ministry backed the alliance by persuading the commission it should consider the global market rather than the domestic one, it said.

Khulna Shipyard salvation hinges on red tapism

By Quazi Amanullah

KHULNA, Apr 10: Khulna Shipyard is yet to be handed over to Bangladesh Navy even after eight months of getting the prime minister's green signal to take necessary steps in this regard.

Sources said that bureaucratic red tapism was delaying the handing-over process.

Meanwhile, growing financial crisis has virtually crippled the shipyard where over five hundred officials, employees and workers are facing an uncertain future due to non-payment of their salaries for the last three months.

Khulna Shipyard, now heavily burdened with bank loans and other liabilities, has

been facing continuous losses for the last couple of years.

To get rid of the liabilities, the government agreed in August last year to privatise the shipyard. But later, as the Navy showed interest to take over the enterprise for its own use, the prime minister gave her consent to the proposal. She ordered the shipyard's placement at the disposal of the Ministry of Defence after the Navy showed its interest to take over its responsibilities.

Sources said that the scheduled date for handing over of the shipyard to the Navy was February 15, 1999. A tripartite meeting was held on January 22

with the presence of the Navy chief, the chairman of the Privatisation Board and the secretary of the Ministry of Industries. A three-member committee was later formed.

But the formalities for handing over the shipyard are yet to be completed.

At present, Khulna Shipyard has no running capital and its financial losses are gradually increasing. Payment of salaries also stopped from December last year.

Established on 68.8 acres of land at Labonchora, on the bank of the river Rupsha, Khulna Shipyard went into commercial production in 1957. Different kinds of river

crafts, vessels, railway ferries and naval ships were built and repaired in addition to manufacturing of spare parts and digesters.

Once a profitable concern, the shipyard started incurring financial losses from the 1984-85 financial year due to various reasons including corruption and mismanagement by a section of officials who allegedly misguided the government in its policy matters.

By the end of the current financial year, the total financial liabilities of the enterprise is expected to exceed Tk 100 crore, said a highly-placed source of the shipyard.

New industrial policy to woo investment, hopes DCCI

Star Business Report

The president of Dhaka Chamber of Commerce and Industry (DCCI) yesterday hailed the new five-year industrial policy of Bangladesh.

He congratulated the industries minister for formulating and announcing a much-awaited comprehensive and relatively long-term industrial policy, which is expected to encourage new local and foreign investment.

The emphasis given in the industrial policy on the growth of the private sector as the prime mover of economy is a step in the right direction, DCCI chief M H Rahman said in a press statement.

The DCCI president appreciated the provisions made in the policy for helping the domestic industry withstand external competition, which is likely to pose a serious challenge in view

of the rapidly changing world economic order under the framework of WTO.

"The elements provided for granting extra support including cash incentives specially for the industries identified under the thrust sector will give an added impetus to broadening our industrial infrastructure as well as export base," he said.

The new policy, the DCCI chief observed, should help us reduce the country's overwhelming dependence on agriculture sector and stimulate industrial sector's contribution to GDP besides generating considerable employment opportunities.

The policy should pave the way for balanced development of the country's least developed areas and help equitable distribution of income, which is a pre-requisite for expansion of

the domestic market for all products and to stop the migration of population to congested urban areas including the capital city, the statement said.

The DCCI chief, however, opined that the success of the policy lies in its proper implementation which will depend on creation of an enabling and congenial environment, sincere facilitation and encouragement for new entrepreneurial ventures, liberal banking support, speedy development of infrastructural facilities and utilities and expansion of applicable facilities and amenities strictly as enumerated in the policy.

Avoidance of indecision and undesirable administrative and procedural bottlenecks and improvement of law and order situation are essential pre-conditions for success of the policy.



PHILADELPHIA, PA (United States): US President Bill Clinton addresses healthcare professionals Friday at Memorial Hall in Philadelphia, PA. Clinton is asking private insurance plans to come into full compliance with his administration's Patients Bill of Rights. — AFP photo

Govt firm to boost IT sector: Tofail

Commerce and Industries Minister Tofail Ahmed yesterday said that the government was determined to take all necessary steps to develop the country's computer sector, reports UNB.

Inaugurating a computer course for reporters, organised by the Dhaka Reporters' Unity Computer Club at the Unit office, the minister hoped that in near future the sector would be one of the main export sectors of the country.

He said there is a bright prospect for exporting computer software abroad from Bangladesh.

Tofail said the present government, knowing the prospect of the computer sector, has taken numerous steps to grow the sector.

In this regard he mentioned the implementation of the Prof Jamilur Reza Chowdhury Commission report. "Thirty-three points out of 45 points of the report have already been implemented," the minister said.

"We have also taken steps to establish an Information Technology (IT) village," he said

adding: "The government has already selected the place where the village will be set up."

He informed that the Intellectual Property Right act will be enacted soon. Pointing to the global inclination to the IT, the commerce minister said e-commerce across the whole Europe is an issue being discussed everywhere.

Commenting on the Indian development in the sector, Tofail said the country's computer-related export last year was about US \$5 billion.

He said the government withdrew all taxes on the computer hardware and software only to strengthen the sector.

Presided over by Unity president Shahjahan Sardar, the function was conducted by Dhaka Reporters Unity Computer Club convenor Shaymol Dutta.

General Secretary of the Unity Mahidul Islam Raju and trainer Abul Hossain also spoke on the occasion.

Cyber Communication, a computer training organisation, is helping the club to conduct the course.

New MD of Rupali Ins



Prithwish Kumer Roy is the new Managing Director of Rupali Insurance Company Limited on current charge.

He took over the charge of his new position on March 1, says a press release of the company.

Prior to his present assignment, Roy was the Deputy Managing Director of the company.

Prior to his joining the Rupali Insurance he had been in the employment of Eastern Insurance Company Limited for last 12 years in different senior positions, since its inception.

Roy carries with him vast experience and professional expertise in insurance.

He is a Fellow of the Institute of Chartered Accountants of Bangladesh. He is also an Associate of the Institute of Chartered Secretaries.

Mubarak calls for more ROK investment in Egypt

SEOUL, Apr 10: Egyptian President Hosni Mubarak asked political leaders here Saturday to persuade South Korean businesses to boost investment in his country, says AP.

Mubarak met with Prime Minister Kim Jong-pil and National Assembly speaker Park June-kyu on the second day of a three-day trip aimed at strengthening ties and boosting trade and investment.

Egypt could provide an important foothold for South Korean businesses wanting to enter the Arab and African markets, Mubarak was quoted as saying by South Korean officials.

He was expected to deliver the same message when he and 27 Egyptian businessmen accompanying him meet with South Korean industrialists later Saturday.

During summit talks with President Kim Dae-jung Friday, Mubarak said Egypt hoped for more South Korean investment in the farm industry, textiles, shipbuilding and consumer electronics.

Alpha Tobacco holds 32nd AGM 'Duty rationalisation can boost revenue earnings'

A M Agha Yusuf, Chairman of Alpha Tobacco Manufacturing Company Limited, has underscored the need for taking steps to rationalise the 'duty structure to help increase revenue earnings of the government and develop marketing strategy of the cigarette manufacturers, says a press release.

He made the suggestion while addressing the shareholders of the company at its 32nd annual general meeting (AGM) held at the factory premises of the company in Jessore Friday.

Agha Yusuf said that the government's steps to rationalise duty structure yielded good revenue earning results. But, he said if the government could still take more steps for further rationalisation of duty structure, it would enable the cigarette manufacturers to develop their marketing strategy, he maintained.

Welcoming the shareholders at the 32nd annual general meeting of the company for the

period ending September 30, 1998 he said this was another year of new records in terms of profitability, turn-over and dividend rate.

In this context, the company chairman referred to the directors report. Agha Yusuf took the opportunity to apprise the shareholders about the overall situation of the industry.

He said that the shareholders were quite aware of the fact that the country experienced a devastating flood during the year which affected the business of the company.

In the midst of numerous hurdles and competitiveness the company faced the onslaught with undaunted spirit and courage ensuring a growth of 23.65 per cent in terms of profitability, which enabled the Board of Directors to recommend 52.50 per cent dividend.

Agha Yusuf announced that in order to keep pace with the modern technology, the company had arranged new generation machines, expanded floor

area of the factory to accommodate these and continued training of workforce to ensure quality and efficiency.

Referring to further rationalisation of duty structure, Agha Yusuf said that the company had already taken up the matter with the chairman of the National Board of Revenue to overcome the problems faced by the industry.

He made the following suggestions for NBR.

(a) The basis of revenue earning target from manufacturers should be rational as well as pragmatic and the whole scenario should be kept in mind when analysing or evaluating the expected target, especially the economic activities of the government.

(b) Effective and pragmatic steps should be taken to curb and control smuggling of cigarettes.

(c) All cigarette manufacturers whether national or multinational, should come under the expected target net.

Commodity: Weekly Roundup

Sugar, cocoa prices crash to six-year low

LONDON, Apr 10: Sugar and cocoa prices fell to the lowest level for six years this week after a turbulent five days on the international markets, reports AFP.

Cocoa fell amid intense speculation over the effect on a largely saturated market of a predicted bountiful harvest from the Cote D'Ivoire, the world's largest cocoa exporter, after excellent intermediary crops.

Dealers were also pessimistic over long-term prospects after some analysts projected that world production would top three million tonnes next year.

There was no sweetener on the sugar market either where prices remained depressed under the weight of Brazilian exports.

Brazil is the world's premier producer of cane sugar.

OIL: Slip. Crude oil prices fell as dealers expressed their scepticism that Venezuela would abide by production cuts-backs agreed by OPEC last month.

Brent North Sea crude prices on the International Petroleum Exchange (IPE) fell to 14.30 dollars a barrel for May delivery from 14.65 dollars last week.

On the New York Mercantile Exchange (NYMEX), light sweet crude fell to 15.83 dollars a barrel from 16.42 dollars.

Dealers said that social unrest in Venezuela would make it impossible for the authorities to stand by output reductions pledged by OPEC on March 23.

OPEC said it would reduce production by 1.7 million barrels a day as part of a concerted drive by producers to reduce output by 2.1 million barrels per day in an effort to shore up prices.

Venezuela, which is OPEC's third-biggest producer country, has been constrained to reduce output by 125,000 barrels per day.

Independent forecasters predicted that unemployment would rise to 17 per cent in the oil-rich country, while 55 per cent of the population was expected to be under-employed in the first half of 1999.

RUBBER: Soft. Rubber prices fell slightly amid low trading volume in the absence of fundamental market news.

The RSSI index in Kuala Lumpur fell to 2.24 ringgits per kilo from 2.26 ringgits.

The London rubber index rose slightly to 420 pounds per tonne for May delivery from 417.50 pounds.

COCOA: Sink. Cocoa prices fell on speculative selling and technical trades as the market awaited a plentiful secondary crop from Cote D'Ivoire, the world's leading producer country.

May contracts on the London market fell by 62 pounds per tonne to 789 pounds. This was the lowest level since February 1993.

Technical traders took prices lower still after they had fallen below the 800-pound barrier.

An analyst at Prudential Bache trading house, Mickey Donovan, said of the fall in prices: "There are no fundamental reasons, only speculative reasons."

TEA: Break. There were no

auctions in Mombasa, Kenya, this week.

SUGAR: Melting. Sugar prices fell to a new six-year low point amid expectations of an increase in exports from Pakistan and following the start of the 1999/2000 harvest in central southern Brazil.

August contracts on the London market fell by nine dollars to 189.10 dollars tonne. This was the lowest level since February 1993.

Pakistan is likely to increase its export quotas by 200,000 tonnes to 700,000 tonnes in the face of high stock levels, according to GNI trading house.

The Economist Intelligence Unit (EIU) predicted that there would be a supply surplus this year and next. Demand in 1999 and 2000 was expected to be 127.8 million tonnes and 130.7 million tonnes respectively.

well below predicted supply of 132.2 million tonnes and 133.1 million.

"With demand showing no sign of revival and supply continuing to increase, the funda-



Director-in-charge of Alpha Tobacco Manufacturing Company Limited Agha Ahmed Yusuf speaks at the company's 32nd AGM in Jessore on Friday. — Alpha Tobacco photo

US won't slap import tariff on EU cheese

WASHINGTON, Apr 10: Prosciutto and Pecorino cheese are off the final list of European Union products to be hit with 100 per cent US import tariffs in the battle over bananas, the US Trade Representative's office said yesterday, reports Reuters.

Scottish Cashmere sweaters have also been dropped from the list, but importers of EU bed linens, batteries, luxury handbags, paper and noncorrugated boxes and lithographs will have to pay the duties retroactive to March 3, the trade agency said.

Coffee and tea makers are also on the list, but not ones made in Italy.

Italy is not being singled out for exemption from the duties. US trade officials said, many of their items were taken off the final list after being targeted earlier because the United States did not want to unfairly make any one country bear the burden of the sanctions, a trade official said.

A World Trade Organisation (WTO) arbitration panel earlier this week ruled that the United States could impose punitive duties on 191.4 million dollars of EU goods to compensate for loss trade due to the EU's failure to comply with an earlier WTO decision that its banana import regime violated world trade rules.

China to give Pakistan \$6 m in development assistance

ISLAMABAD, Apr 10: China has pledged to give Pakistan \$6 million in aid for "research," although officials from both countries denied the money would be used to enhance Islamabad's nuclear capability, reports AP.

The agreement was reached on Friday, the second day of a visit to Pakistan by Chinese parliamentary leader and former Prime Minister Li Peng, who led a delegation aimed at expanding trade between the two nations.

The two countries do about \$1 billion in trade and commerce with each other annually, but the business is not nuclear-related, said Foreign Minister Sartaj Aziz.

"We don't have any nuclear cooperation with China. ... The only nuclear cooperation is the nuclear power plant at Chashma," Aziz said, referring to a 300-megawatt plant southwest Islamabad that China is helping construct.