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BOI receives 10 investment proposals

Board of Investment (BOI) received 10 industrial proposals last week with a total investment of Tk 1,246.700 million, equivalent to 25.44 million US dollar, reports AP. This was disclosed at the weekly meeting of the Executive Council of BOI held with its Executive Chairman Sirajuddin Ahmed in the chair yesterday. The registered proposals include composite textile, textile spinning, textile knitting, poultry farming and poultry products and 100 per cent export-oriented garments and fishing net. After full implementation of the projects, some 2,731 people would get employment opportunities, said a BOI press release.

Body to probe alleged JH stocks irregularities

Star Business Report
The Securities and Exchange Commission (SEC) yesterday formed a committee to probe alleged irregularities in JH Chemical stocks.

Two SEC officials — Khairul Anam Khan, Corporate Accountant and Suvara Kanti Chowdhury, Deputy Director — have been authorised to jointly investigate the books of accounts and other necessary documents of JH Chemical Industries Limited.

The committee will submit its report within a month, according to a press statement.

Merchant Bankers' Assoc team meets NBR chairman

A seven member delegation of the Bangladesh Merchant Bankers' Association met Abdul Muayed Chowdhury, Chairman of the National Board of Revenue (NBR) yesterday, says a press release of the association.

The member described the present depressed condition of the capital market, problems the merchant bankers are facing in activating the market and the role of the government functionaries to help overcome the hitches and strengthening the capital market activities.

The members suggested some fiscal measures to be included in the coming budget to activate the primary and secondary capital market. Dr Mohammad Musa, convener of the association along with Prof Abu Ahmed, A K Chowdhury, Ziaul Quddus, M Malik Chowdhury, S Mortuza Ahmed and Hossain Rahman represented the association.

Workshop on organic farming held

A day-long workshop titled "Organic Farming Using Vermicompost" was held at Bangladesh Agricultural Research Council (BARC) in city yesterday, says UNB.

Thirty agriculturists from different agricultural research institutes, NGOs, BADC, DAE and CIRADP took part in the workshop. It was organised by BARC in collaboration with CIRADP.

Speaking on the occasion, Chaitanya Dutt of Prakash Bio-Organic Farm of India focused on vermiculture process and multiplication of earth worms for vermicompost production.

His son, C Siyarama Kirshna, presented the keynote paper. He said the concept of organic agriculture has been perceived differently by the farmers of developing and least developed countries.

Krishna pointed out that the use of organic manure and natural methods in plantation has been popularised among farmers of many countries like India.

President, BCI team discuss industrialisation problems

The outgoing office bearers of Bangladesh Chamber of Industries (BCI) led by its president Sharif M Aizal, called on President Justice Shahabuddin Ahmed at Bangabhaban yesterday, reports APB.

During the meeting, the nine-member delegation submitted the annual report of the Chamber to the President.

Members of the delegation apprised the President of the various industrialisation problems in the country. They appreciated that the hartal culture and widespread terrorism would jeopardise economic development.

The BCI delegation appreciated the stands taken by the President on various occasions for creating a country in order to stabilise peace and democracy for economic uplift.

They also thanked the President for the cooperation he extended to BCI for its efforts to promote rapid industrialisation of the country. The business community urged the public opinion against the bank loan defaulters.

BGMEA discussion meeting on post-MFA era

No alternative to potent running of backward linkage industries

Star Business Report

There is no alternative to running backward linkage industries in the ready-made garment (RMG) sector efficiently considering their competitiveness in the global context to face the post-Multi Fibre Arrangement (MFA) era.

While making this observation, speakers who included top policymaker at a discussion yesterday stressed the need for making apparel products more competitive in terms of quality and prices in the international market and maintain the present trend of export.

The discussion meeting on "Getting Ready for 2004: The Implication of the Expiry of the MFA for Bangladesh" organised by the Bangladesh Garment

Manufacturers and Exporters Association (BGMEA) was held at a city hotel yesterday.

The meeting, addressed by Dr. Pelzman, Professor of Economics of the George Washington University, USA, Sayed Alamgir Farouk Chowdhury, Secretary of the Ministry of Commerce, Dr. Osman Halder Chowdhury, Executive Director of the Institute of Policy Studies and Benajir Ahmed, Vice-president of BGMEA, was chaired by Nurul Haque Sikder, second Vice-president of the Association.

Speaking at the meeting, Dr Pelzman underscored the need for product diversification of the country's RMG sector to cope with the quota-free market

situation after 2004.

"There should be efforts for working out ways to provide price support to the garment products of countries like Bangladesh after phasing out of the MFA," he said.

Commerce Secretary Sayed Alamgir Farouk Chowdhury said that the RMG industries had been competitive and the country had made a hefty investment in the sector.

Referring to the backward linkage industries, he said: "It would not be wise to establish large scale without considering how competitive those would be in the international context."

Chowdhury warned the garment manufacturers that fresh

issues like environmental aspects and labour standards are expected to emerge as new form of non-tariff barriers.

He urged the RMG exporters to ready themselves for possible future barriers.

Nurul Haque Sikder said: "We have to improve the quality of our product. All of us should start diversifying our products and face the new millennium challenges from other competitor countries."

"There isn't that much scope to be satisfied with cheap labour as the situation may not remain so for long. Efficiency development with the introduction of modern equipment is the only answer to this," he added.

Dispute over banana imports

WTO okays US sanctions against European Union

GENEVA, Apr 19: Members of the World Trade Organisation on Monday approved US sanctions against the European Union in a long-running banana import dispute, trade diplomats said, reports AP.

European Union representatives went into the WTO meeting accepting that they would face the sanctions. There was no word on when the sanctions would start.

"We are going to comply with what the arbitrator has said," EU trade ambassador Roderick Abbott told reporters before the meeting.

"We will not oppose a decision today to authorise the Americans, but of course we consider that it is applicable only from today."

A panel of arbitrators earlier this month gave the United

States the go-ahead in principle for \$191.4 million per year of trade sanctions against the EU, while ruling in a separate report that the EU's import policy for bananas was not in compliance with WTO rules.

Abbott said the EU had not decided whether to appeal against the second report.

Washington has said it will slap tariffs of up to 100 per cent on nine types of products from the EU, including French handbags and German coffee-makers. Other items targeted include bed linen, lead-acid storage batteries, lithographs, cardboard packing material and felt paper.

The United States claims the EU discriminates unfairly against bananas imported from Latin American nations and in

favour of former European colonies in the Caribbean and Africa.

US trade ambassador Rita Hayes declined to say anything about the date from which the sanctions should start, but said the most important thing was for the two sides to sit down and work out a solution.

A WTO panel last week ruled against the European Union in the banana dispute.

The panel found that the EU practice of granting concessions to banana exporters from African, Caribbean and Pacific countries, many of them former British and French colonies, harmed the interests of US multinationals that export bananas from Central America in the amount of 191.4 million dollars.



SINGAPORE: A public relation staff shows Viagra pills at a press conference in Singapore Monday. Singapore hospitals and clinics began receiving the popular anti-impotence drug Viagra, as its manufacturer Pfizer assured that supplies were sufficient to meet "encouraging" demand. — AFP photo

Investors' Forum Private sector team off to Paris

A 10-member government-sponsored private sector delegation led by Abdul Awal Mintoo, President of FBCCI, left for Paris yesterday to participate in the Investors' Forum scheduled to be held in Paris tomorrow. The Forum will be held after the Aid Group meeting, says a press release.

After attending the Investors' Forum, Mintoo will lead the FBCCI delegation to European capitals. The delegation will visit Brussels, Hague, Hamburg, Frankfurt, London

'Malaysia won't jettison its capital controls'

KUALA LUMPUR, Apr 19: Malaysia will not jettison its capital controls until international money flows are regulated, a top finance official said, Monday, reports AP.

The Southeast Asian nation will restrict movement of money in and out of Malaysia "until we begin to see concrete measures being taken by the international community," junior finance minister, Mustapa Mohamed said.

Mustapa also reiterated the government's months-old stand that the controls are helping Malaysia's economic recovery.

and Birmingham. It will attend a comprehensive programme in London. Where the team will attend an investment seminar, meet with the Bangladesh community and participate in a seminar of Bangladesh-British Chamber of Commerce.

Members of the FBCCI delegation include Abu Alam Chowdhury, Deputy Leader and Abdul Haque, Md Rajjab Sharif, Syed Mohd, Shamsul Kaunain, Md. Montaz Uddin, ASM Kamal Uddin, Abdul Wahed, MA Rouf Chowdhury, Md. Amjad Hossain, Md. Amin-Uz-Zaman Bhuiyan, Md. Mosaddeque Hossain Bablu, Md. Masud, Moazzam Hossain Khan, Mohammad Tajazzal Hossain, Mostafa Azad Chowdhury, Md Sawqat Ali, Habibullah Noyaman Karim, Md. Jalal Uddin, ABM Ashraf Uddin, Mohammad MA Rahman Paiker, MA Halim, Prabir Kumar Saha, Mohammed Manzoor Mumin, SM Monirul Islam and SA Quader Keran. Most of the delegates have already left Dhaka.

The members of the private sector delegation to the Investors' Forum include ATM Waziullah, Zafar Ahmed Chowdhury, M H Rahman, Capt (Retd) Anisur Rahman Sinha, Safwan Chowdhury, Kamaluddin Ahmed, SM Nazrul Islam, Mohammed Ali Sarker and Sajjatz Jumma.

Unibank VP due in Bangladesh in early May

Star Business Report



The Vice-President of Unibank in Denmark, Reinhard Langerich, will make a visit to Bangladesh in the first week of next month.

He is also a member of the United Nations Project Team on Documentary Credits.

The Unibank vice-president will conduct workshop on international banking modalities in Dhaka and Chittagong, says an ICC press release.

ICC Bangladesh is organising the workshops. With over 35 years of career in banking and specialisation in documentary credits, Langerich has made a name for himself in the domain of international banking practices.

Besides being the Vice-President and Technical Adviser for Unibank, one of the leading banks in Europe, he is often called upon as an expert on all trade products and for interpretation of the international rules governing trade finance.

Langerich has played the key role in developing Unibank in the early nineties to have the most sophisticated electronic system to handle all types of products ranging from documentary credits, guarantees and standbys to collections for import and export.

The ICC Bangladesh is organising a two-day workshop on International Standby Practices for Documentary Credits and Arbitration in Dhaka from May 3.

Rhone-Poulenc Rorer's senior executives in city

Dr Janet Remetta, Vice-President of Worldwide Health, Safety and Environment (HSE) Operations, based in Rhone-Poulenc Rorer (RPR) world headquarters in Collegeville, Pennsylvania, USA arrived in Dhaka Sunday, on a four day visit of the group facilities in Bangladesh, says a press release of the group issued yesterday.

Doug McCallum, Director of HSE operations in northern Europe, Asia and the Pacific accompanied her. AKM Shamsuddin, Managing Director of the RPR group of companies in Bangladesh, received them. Nayeem Saifur Rahman, Director of Industrial Operations, RPR's Dhaka, was also present.

During their stay they will conduct in-depth audit of health, safety and environment practices of the group in Bangladesh and suggest improvement measures.

Rhone-Poulenc Rorer attached highest priority to worker health and safety-related issues and environment protection measures.

"As a multinational health care company, RPR has an ethical obligation to ensure that the workers who contribute to our efforts to improve the health of others, have safe and healthy working places," said Dr Remetta who is in charge of RPR's policies and programmes, designed to protect workers in the work-place and programmes that protect the environment where RPR operates.

In addition to her responsibilities within the company, Dr Remetta also chairs the International Pharmaceutical Aerosol Consortium (IPAC).

Tofail calls for indentifying problems

BTMA praises govt decision to lift DSC on cotton imports

Bangladesh Textile Mills Association (BTMA) has appreciated the government's decision to withdraw 2.5 per cent development surcharge on import of cotton, the basic raw material for textile industries, reports BSS.

BTMA President Salman F Rahman along with leading players in the textile sector at a meeting with the Commerce and Industries Minister Tofail Ahmed, at his office in the city yesterday said that the decision was a big push for the development of the sector.

They said the decision, which will come into effect from July next, will encourage garments manufacturers to use local yarn in place of imported yarn.

They requested the government to take measures so that exporters can get 25 per cent

cash incentive immediately, after the submission of proceed Realization Certificate to the Bank.

The industrialists also requested the minister to allow this cash incentive facility upto 2004 which is for one year at present to create enthusiasm amongst the backward linkage entrepreneurs to expand their spinning mills to meet whole demand of yarn and fabrics locally.

They said flourishing of backward linkage industries is imperative to face open market competition after the phase-out period of comparative advantage on December 31, 2004 as per the Multi-Fiber Agreement.

They also requested the government to reduce rate of bank interest for the working capital for the export oriented backward linkage industries to produce yarn at competitive price.

Responding to the requests of the entrepreneurs, the Commerce and Industries Minister asked them to identify the causes hindering speedy expansion of the backward linkage industries in textile sector.

He said, the government will take all possible measures to maintain uninterrupted expansion of Linkage industries. Tofail said the government is fully convinced that the export growth in garments sector could only be maintained through earning competitive edge with other competing countries.

He said the expansion of Linkage industries for producing sufficient yarn and fabrics locally with competitive price is imperative for surviving in global competition after 2004.

The Minister said the present government has been interacting with the private sector regularly to facilitate their initiatives to increase production and export.

He said, we are performing the facilitatory role to all genuine private initiatives as we have adopted private sector led growth strategy.

He said we believe that the government and private sector should work together for the economic development of the country and we are working in that direction.

The meeting was attended by BTMA Secretary General Group Captain (ret'd) Enam Chowdhury, Nurul Islam of Shameen Spinning Mills, MA Awad of Mother Textile Mills, Jahangir Alam of Alam Group and other potential entrepreneurs.

contingency plans," said Rafael Hernandez, an information specialist with the World Bank.

Nearly all Latin governments rely heavily on informatics. And at precisely the moment last year that they should have been investing heavily in Y2K fixes, the Asian financial crisis hit their economies hard.

Now there is an almost universal shortsight to cash. Media coverage of the Y2K bug has been scarce in the region, and many presidents, including Colombia's Andres Pastrana and Argentina's Carlos Menem, haven't even mentioned it publicly.

"I don't want to be an alarmist, but we do want to prepare the people for reasonable precautions. There could be a run on banks, real bad, and declared bank holidays," said Jim Cassell, research technology analyst Gartner Group who has worked extensively in the region.

Gartner analysts predict half of all Latin American companies and state agencies will see at least one critical failure — from power outages to air transport interruptions — in Argentina, Colombia, the Dominican Republic, Guatemala, Jamaica, Panama, Puerto Rico and Venezuela. Even worse off are Costa Rica, Ecuador, El Salvador and Uruguay they said.

Social unrest and paralysed commerce are tangible fears. In this part of the world, "the public doesn't protest with phone calls and letters — it riots and destabilizes the government. There's lots of potential for that," said Ian Hugo, deputy director of Britain's industry-backed Taskforce2000.

Argentina received a \$ 30 million World Bank loan earlier this year to deal with Y2K problems, and the Inter-American Development Bank expects to open a \$2 billion line of credit by May for confronting the bug.

Yet many of the countries scrambling to draft loan requests still "haven't identified the trouble areas (and) don't know how much money they need," said Jamie Dos Santos, vice president for Latin America at Bellcore, a leading international Y2K contractor.

On the whole, Latin American Y2K officials are divulging few details of their countries progress. They know international investor confidence is at stake Brazil, for one, is still trying to meet the conditions for a \$ 41.5 billion bailout package from the International Monetary Fund.

Lack of confidence in a country's infrastructure could cause multinational companies to close their operations," a US Senate report warned.

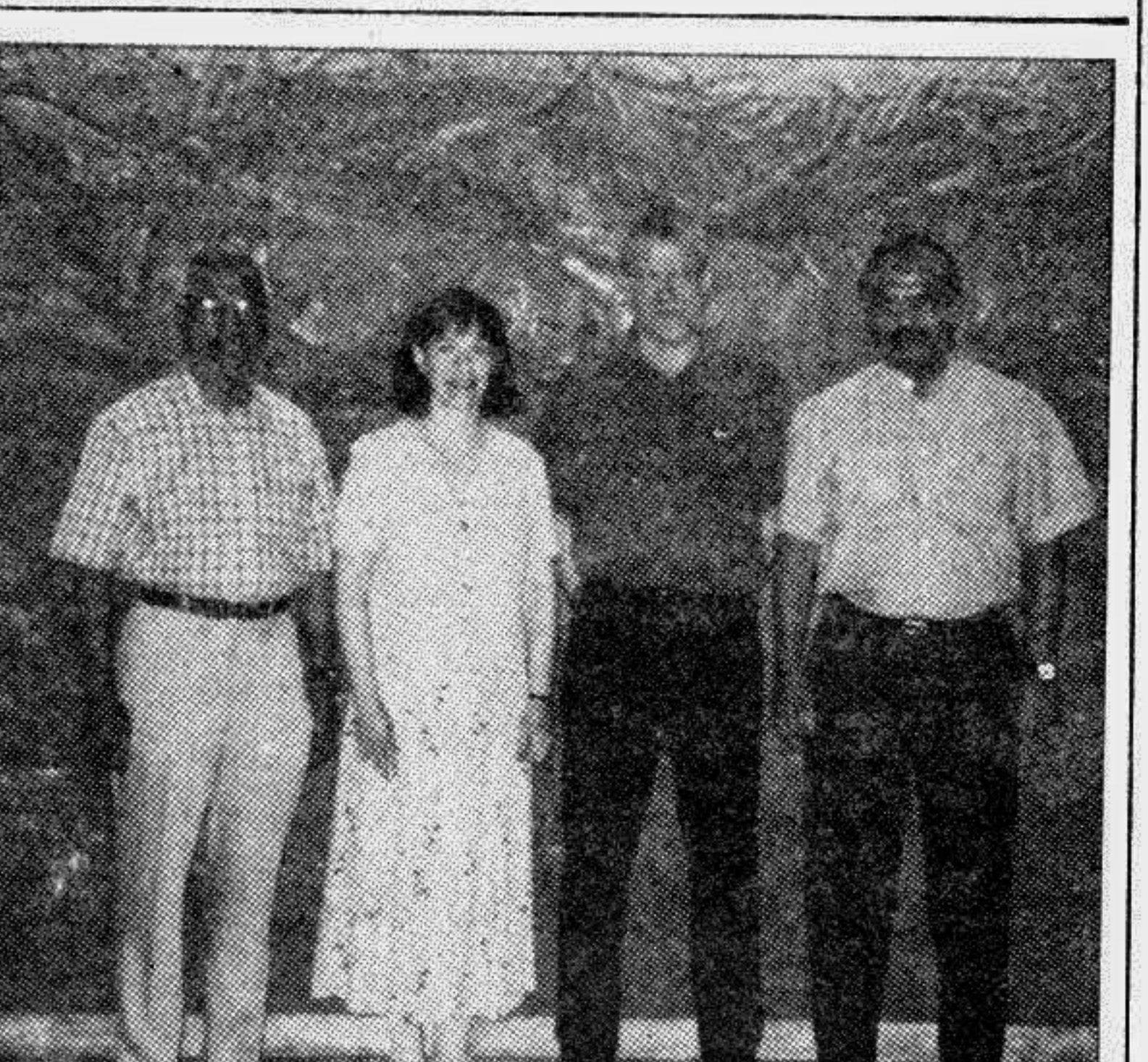
Among nations where officials have been more open is Colombia, where the government's Year 2000 Office, created in September 1997, only just kicked into gear in December.

Managers of the state-run health care system are struggling to determine how to keep Y2K failures from scrambling the records of its more than 8 million patients. And public hospitals are just beginning to inventory medical devices for bug-related defects.

Colombian civil aviation officialseral government says it cannot provide. Without radar, controllers will rely on voice communications and keep planes spaced more widely apart, delaying flights.

Carvalho said foreign carriers will reff date after which US officials expect to begin releasing warnings about countries with worrisome Y2K stuculative. "We'll make those decisions when the time comes and obviously safety is our major concern," said Martha Pantin, a spokeswoman for the airline.

In Venezuela, civil unrest could well be on the menu. "We're going to have a food-supply shortage," predicts Alejandro Bernudez, the government's information systems manager.



Dr Janet Remetta, Vice-President of Worldwide Health, Safety and Environment (HSE) Operations, and Doug McCallum, Director of HSE Operations in northern Europe, Asia and the Pacific, being received by AKM Shamsuddin, Managing Director of Rhone-Poulenc Rorer (RPR) Bangladesh Ltd and Fisons, Bangladesh Ltd. Nayeem Saifur Rahman, Director of Industrial Operations, is also seen. — Rhone-Poulenc photo

LatAm states scrambling to avoid Y2K glitches

BOGOTA, Apr 19: Uncertain their radars Year 2000 computer problems will be solved, air traffic controllers in this Andean nation are taking refresher courses in guiding planes the old-fashioned way — with radioed position reports and paper charts, says AP.

Federal bookkeepers, meanwhile, may have to switch to paper ledgers until their computers are fixed.

With a handful of exceptions led by Mexico and Chile, Latin American governments were late in grasping the severity of the "millennium bug." They now realise they lack the time, money and programmers to forestall potentially crippling public sector failures when 2000 arrives.

In the United States, where tens of billions of dollars have been spent on ridding computers and other electronic equipment of the date-sensitive glitch, failures are expected to cause disruptions akin to a bad snowstorm.

"For us it could be like a volcanic eruption," said Hernando Carvalho, a Colombian civil engineer and lawmaker who began surveying government readiness in December and found it woefully lacking.

Among Latin politicians, Carvalho is a lonely voice trying to raise consciousness where little exists.

World Bank experts and independent analysts say Latin and Caribbean governments, can now do little more than focus on preventing disasters brought on by the Y2K problem, a legac that means an unfixed computer won't be able to tell 2000 from 1900 and might shut down in confusion.

Like most governments in the developing world, they're feverishly working on plans for skirting unreliable computer systems to ensure the delivery of essential services like water, electricity and public payrolls.

"Basically everybody's in the same boat. They're only focusing on critical systems and

scrambling to draft loan requests still "haven't identified the trouble areas (and) don't know how much money they need," said Jamie Dos Santos, vice president for Latin America at Bellcore, a leading international Y2K contractor.

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