

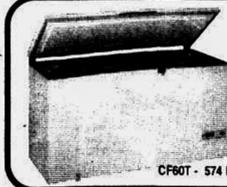


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IJO will try to woo Thailand, India back into its fold

By Mustak Hossain

The International Jute Organisation (IJO) is likely to request its estranged members India and Thailand to return back to the fold, a high official of the organisation said yesterday.

The future of IJO looks rather bleak unless political efforts are made at a higher level to pursue India to return to the forum and Thailand to withdraw its notification of pull-out," he said.

The request might be made at the 27th session of the International Jute Council (IJC), the governing council of IJO, scheduled to begin from April 25, the official said.

The organisation faces crisis after two of its producing countries withdrew from the world body.

One IJO official said Thailand notified the UN Secretary General in December last year about its withdrawal from the IJO.

The official said the withdrawal of Thailand might affect the IJO especially after India's pullout from the world body last year.

The current tenure of IJO, launched in 1984, under an international agreement on jute and jute products in Geneva, expires in April next year.

The officials said the IJO was run by its members' contributions amounting to about \$1.0 million annually.

The IJO hopes to carry its assignment beyond 2000 when the present Agreement on Jute and Jute Products expires.

The other producing member nations are Bangladesh, China and Nepal. The IJO, based in Dhaka, also comprises 21 consuming nations.

Out of total annual world jute production of about 3.37 million tonnes, India's yield has been estimated at 1,836 million tonnes followed by Bangladesh's 900,000 tonnes.

IJO officials said India pulled out from IJO last year after it had failed to get its candidate appointed for the post of IJO chief executive, Henry Jason, a French national, was chosen for the post by majority importing countries.

The IJO official said there might be a meeting for a fresh agreement under the auspices of United Nations Conference on Trade and Development (UNCTAD) in Geneva in November where the IJO would be given a fresh mandate to continue as a world body.

"India's pullout was a body blow to the organisation, Thailand's withdrawal decision is another punch to the neglected world organisation."

Bangladesh, the top exporter with 70 per cent of world total exports, should campaign for bringing India back for survival of the organisation, IJO officials feel.

The withdrawal of the two producing countries is sending a wrong signal to international donors (importers)," one official said.

He said the importers contributed funds for research, development and promotion of jute fibre.

Jute faced challenges from cheaper synthetics for mainly packaging. The IJO is trying to diversify the use of jute fibre.

Businessmen enforce strike at Reazuddin Bazar

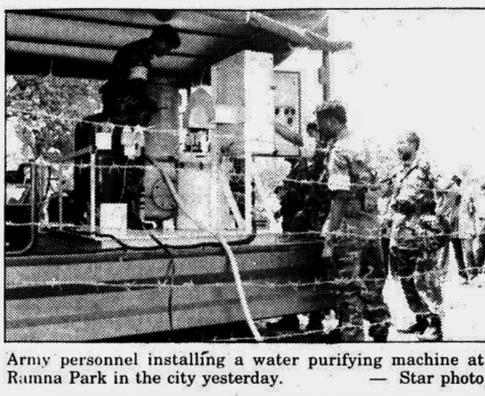
From Staff Correspondent

CHITTAGONG, Apr 19: Businessmen enforced a half day strike at Reazuddin Bazar, in the city today in protest against the looting of Tk 30 lakh from a fish godown.

All the shops remained closed during the strike and no transaction took place, market sources said.

The businessmen also held a rally in front of the market demanding immediate recovery of the looted money and arrest of the miscreants.

They will submit a memorandum to the commissioner of Chittagong metropolitan police tomorrow.



Army personnel installing a water purifying machine at Ruanna Park in the city yesterday. — Star photo

Accord on 6-pt plan to restore peace at AJM

From Our Correspondent

NARAYANGANJ, Apr 19: A joint meeting of trade unions at the Adamjee Jute Mills (AJM), local administration, police and the MP today agreed on a six-point 'action plan' to restore peace at the trouble-torn mill.

The two-hour meeting held at the Siddirganj police station decided that stern action would be taken against identified terrorists and outsiders and that trade union leaders would resolve any dispute among rival groups of workers.

It also resolved that the malpractice of drawing wages without work by a section of workers would be stopped immediately.

Arrangements will be made to reinstate the Rehan group workers who were driven out from New Colony and Kadamtoli during the recent clashes, by noon tomorrow, the meeting decided.

CBA President Ruhul Amin Sardar has been assigned to supervise the move. The local administration will take up the task if Sardar fails.

Besides, a one-member body comprising AJM, Sraniq Sangha President Reazuddin Renu was formed to probe the recent acts of violence in the mill area. The committee will submit its report to the AJM authorities, identifying the persons responsible for those and recommending action against them. But the report will have to be approved by all the five trade unions at the AJM.

An all-party peace procession will be brought out at the AJM soon, the meeting decided.

The meeting was held at the initiative of local MP AKM Shamim Osman. The meeting was attended by CBP leaders belonging to Jatiya Party and representatives of four other trade unions, two backed by ruling Awami League, one by BNP another supporting left parties.

Narayanganj SP Sanaul Haq and Magistrate Helaluddin Bhuiyan represented the district police and the administration at the meeting.

The SP assured the meeting that police would launch an immediate action against the armed goons and some 200 wanted criminals disrupting peace in the mill area.

The trade union leaders said at the meeting that some outsiders were responsible for the recent incidents of violence at the AJM and promised to resist any 'unholy move'.

Shamim Osman appealed to the trade union leaders to maintain peace and harmony at the mill.

Similar peace moves were also taken after incidents of violence at the AJM during the past two governments. But such moves failed to ensure peace as the rival groups violated their commitments.

World Bank assessment says Bangladesh can easily export 2 TCF natural gas a year

With current reserves-to-production ratio standing at 35 years, Bangladesh could easily export two TCF natural gas a year for exports that could fetch at least 200 million US dollar a year beginning in 2005, according to a World Bank assessment, reports UNB.

The Bank's economist Dr Zaidi Sattar in a paper said the gas sector, with nearly 13 trillion cubic feet (TCF) of proven and recoverable gas reserves, has already drawn in excess of 400 million US dollar of FDI on gas exploration and development.

There is a heightened interest among international oil companies in contracts for further exploration indicating similar FDI inflows over the next five years.

The paper on "Foreign Direct Investment (FDI) in Bangladesh: Issues of Long-run Sustainability" will be presented at a dissemination meeting on FDI in Bangladesh, to be jointly organised on April 26 by Foreign Investors' Chamber of Commerce and Industry (FICCI) and the World Bank.

The paper said the quantum

of FDI on Bangladesh has grown rapidly in the current decade, opening up vast opportunities for the country in meeting the growing gap between domestic savings and investment needs.

From a trickle in the 1980s, inflows of private FDI in Bangladesh have risen to nearly 400 million dollars in fiscal 1997-98 and are expected to average about 780 million dollars a year for the next five years, the paper said.

It listed trade and exchange liberalisation, current account convertibility and liberalisation of the investment regime as the factors that helped to bring in the FDI inflows.

Opening up infrastructure and service sectors for private investment has also added to the growth of FDI inflows.

It, however, cautioned that FDI inflows pose fiscal and balance of payments risks that are important to keep in perspective.

The paper identified three forms of foreign private capital flows into Bangladesh: FDI, portfolio investment and foreign currency loans (supplier's credit or loan).

But liberalisation of investment regime, while making foreign investment procedures simpler, has also made it difficult for the Bangladesh Bank to mobilise information on capital flows, the paper said, pointing to the lack of data about FDI.

The World Bank projections show that the FDI inflows will average 620 million dollar annually during 1992-2000, and about 900 million dollar annually till 2010.

Bangladesh stands to gain from these inflows provided it is able to allocate and manage these resources efficiently keeping in view the foreign exchange liabilities arising out of profit repatriation, interest and debt payments.

The paper pointed out that there is a considerable foreign investor interest in the power sector. A total of 750 million dollar of FDI is expected in this sector in the next three years.

FDI inflows in telecommunications sector have risen to 50 million dollar in financial year 1997 and this trend is likely to be sustained.

Beximco

From Page 1

pearing as lawyers of the two other directors MA Quasem and Iqbal Ahmed echoed Alam saying that they were also ready to repay loans under any condition.

AB Bank's lawyer Barrister Rokunuddin Mahmud said that the Bank Companies Act allows the central bank to direct any bank to serve such notices. He also said that while giving judgement on other cases involving bank directors in 1997, the High Court said that the Bangladesh Bank could serve such notices. "So the notices were not illegal."

He also said that it was not true that the loans were not rescheduled. Prior to filing this case, he said, the defaulters had asked for rescheduling and the bank responded in August 1998 with a proposal which was refused by them on March 21, 1999.

They told the bank that the companies' current income and profitability did not allow them to accept the conditions offered by the bank.

He also pointed out that the Bangladesh Bank on April 10, 1997 had also asked AB Bank to reschedule the loans.

Barrister Mahmud protested that it was a boardroom battle because these loans had been taken a long time back and that the bank had asked them to repay the loans repeatedly. The notices were served after they had failed time and again.

The court was adjourned at this stage and will resume tomorrow.

Sonia vows to form alternative govt

NEW DELHI, Apr 19: Indian opposition leader Sonia Gandhi vowed today to give the country an alternative government following the collapse of the Hindu Nationalist-led coalition, reports AFP.

However, nearly two days after the outgoing government's resignation, there was still confusion as to what form a replacement administration would take, or who would be prime minister.

India, however, avoided a looming fiscal crisis when an all-party meeting agreed to clear the national budget through parliament on Wednesday.

The Italian-born Gandhi, 52, asserted that her Congress party—the second largest group in parliament—would form the new government.

"Yes, I am going to do so," she said, adding Congress leaders were in talks with other opposition groups.

Vajpayee's Hindu nationalist BJP party-led coalition resigned Saturday after losing a parliamentary motion of confidence by one vote.

Since then, the multi-party fractious opposition has clearly been struggling to agree on the formation of a new government.

But senior Congress leader Arjun Singh insisted it was simply a matter of time.

"In another two-three days we expect the shape of a new government to emerge... There will be no need for mid-term elections."

The Indian President has not indicated when he is likely to invite Sonia Gandhi, as head of the largest opposition party, to form an alternative administration.

Although one opposition leader had vowed to form a new government within "five minutes" of Vajpayee's ouster, known differences between the various parties cropped up immediately.

Jayalalitha Jayaram, a movie star-turned-politician whose desertion brought down the Hindu nationalist-led coalition, said the opposition had reached "broad agreement on the shape and contour" of a new government.

"We are all determined to see that an alternative government is in place in the course of the next two days," she said after meeting Gandhi.

Later, Jayalalitha called on India's most respected Marxist leader, Jyoti Basu, to fill the prime minister's office.

She said her AIADMK party would be "overjoyed" to support Basu but would have no objection to a Congress-led coalition.

"If he is willing, then we are more than willing to support him. If Basu agrees, the AIADMK will be overjoyed to support him," she said after talks with Basu, who has been

Kafco Board meeting

From Page 1

built the plant are angry that the government, the largest shareholder in the company with 43.51 per cent including 11.35 per cent non-voting shares, has made it clear that the commercial settlement would not be considered until after the World Bank affiliate has done the technical audit of the plant.

"The GOB position (that) ... the matter of settlement between Kafco and GC (general contractor) including the Acceptance shall be re-addressed only after and subject to IFC technical audit is not acceptable to us at all," a Chiyoda official says in a letter to the Kafco management.

Chiyoda has also threatened to "review" already made "commitments to Kafco in the settlement package".

OECF and Japan Export Import Bank (J-Exim), a major lender along with many others including the general contractors themselves, also back Chiyoda's position.

Meanwhile, J-Exim Bank, a governmental agency which leads a syndicate of Japanese banks with US\$ 150 million in outstanding loans to Kafco, has served another notice about the unpaid loans, guaranteed by the government of Bangladesh.

Kafco has failed to pay principal amounts, due to its various lenders on February 1, including over US\$ 9 million due to J-Exim Bank.

Chiyoda and its partner have long been insisting that the company accept the proposed settlement in return for US\$ 16 million and some other benefits. But the company management and the government have argued that losses due to frequent breakdowns of the faulty plant with "cheap and substandard" equipment are no less than US\$ 120 million.

Of late, however, the present managing director, John Wilson, is claiming that the losses have not been to such an extent and that the returns from the commercial settlement will be much higher. His statements to the press, including The Daily Star, are similar to those of the foreign shareholders.

IFC is working on a financial restructuring formula, expected to be finalised by next month. But a preliminary report was submitted last month, details of which were not available.

IFC is also conducting a technical audit of the plant conditions and its long-term reliability, targeting to complete it by the end of next month.

The government has said it would consider the controversial commercial settlement sometime in June.

Paris Aid Club meet begins

From Page 1

mates for food and commodity aid as well as the assets for urgent post-flood rehabilitation based on the assumption that new commitments would revert to its pre-1998 levels after floods.

Estimated foreign aid commitment and disbursement for the fiscal year 1999 were US\$2252 million and US\$1870 million respectively.

World Bank Vice-President for South Asia, Melko Nishimizu chaired the meeting while the minister gave the introductory speech focusing on Bangladesh's economy.

The Bangladesh delegation also presented a detailed paper providing economic and social developments during the fiscal year '97 to '99. The memorandum also contained an outlook of the financial year 2000 and outlines of the future reform agenda of the government.

Kibria said Bangladesh economy is likely to grow nearly 4 per cent this fiscal year even after an estimated flood loss of US\$ 2 billion.

Neutralising the shocks of the longest ever flooding that caused a loss equivalent to 6 per cent of the GDP of the fiscal year '97, the economy is expected to bounce back growing 6.4 per cent over the next fiscal year.

"With the shock of the floods over and some expected improvement in the world economic environment, the economy is expected to return to the high-growth path achieved in recent years," he told them.

In the memorandum Bangladesh hopes to go forward with an Annual Development Programme (ADP) for the next fiscal year with an estimated outlay of Tk 155 billion.

The preliminary estimates indicate that 48 per cent of the development expenditure will be financed with local resources (including domestic bank and non-bank borrowings) and 52 per cent with external assistance.

Traditionally and practi-

cally, donors' meeting has a tremendous impact on preparing budget, especially the development budget known as ADP, as more than 50 per cent of the total outlay is bankrolled by the international donors or lenders.

As of other years, this year's meeting has an impact on preparing the first post-flood development budget of the country although the donors have already said that they would not declare any formal commitment.

Sources in the donor agencies told UNB that although there would not be any formal commitment, the donors might pass on assurances that they would continue to support the development needs.

Blaming the longest ever flooding for overall slowdown of the economy, the finance minister, however, hoped that with the return of normalcy, it was expected that the economy would turn to its normal growth path and output would approach its potential levels.

Meanwhile, supporters of opposition parties demonstrated in Paris and handed a memorandum to the donors, BNP sources here said.

About 200 Bangladeshis living in Paris marched on the IENA Square outside the meeting venue in the morning and staged protest against government's acts back at home. Dr Abdul Malek, President of the BNP unit in France, presided over the rally, attended by Jatiya Party and Jamaat-e-Islami activists.

The sources said the processionists carried festoons inscribed in Bengali, English, French and German languages with complaints against government 'repression, killings, corruption.'

Few photographs, including of the decomposed corpse found in DB office overhead water tank, body of Rubel allegedly killed in the detective police custody and police action on opposition activists, were pasted on the placards waved by the protesters.

Atique murder: 4 remanded

By Staff Correspondent

The four persons arrested in connection with Atique murder were placed on a two-day police remand by the CMM's court yesterday.

Rabiul Islam alias Biddut, Shamsuddin, Jahangir Alam and Abdur Rahim were arrested from the city's Mohammadpur area after the body of young driver Atique was recovered from staircase of CID inspector Saiful Islam's residence at Shayamoli on April 13.

The delegation requested the donor countries and agencies to ensure transparency in spending of the aid before disbursing the money to Bangladesh," said the sources in Dhaka.

The donor representatives, according to them, assured that they would take the memorandum into account.

Dr Kamal

From Page 1

armed mastans, by educational institutions being occupied by armed cadres, and students becoming hostages to them, by the criminality and corruption that has infected the police.

The national economy is being severely damaged by the deteriorating law and order situation, the power crisis, and pervasive inefficiency and corruption, including extortion.

The parties pay lip service to the rule of law and to the need for stability but fail to practice what they preach. They continue with the politics of confrontation and have refused to engage themselves in dialogue, Violence and conflict escalates as no serious effort is made to reduce the causes of the conflict, it added.

3 PSC members

The newly appointed members of the Bangladesh Public Service Commission took oath yesterday, reports UNB.

Cabinet

From Page 1

that the fertility of land is not affected due to use of bad fertiliser or seeds.

The agriculture policy, the first since the country's independence, has proposed a provision for setting up of an Agricultural Loan Foundation. The Foundation will look after, under certain principles, disbursement of agricultural loans among certain categories of peasants.

Besides, there will be agricultural loan committees at district, thana and union levels. The committees will have a say on the process of disbursement of agricultural loans among peasants.

The newly adopted policy has also kept a provision for inclusion of peasants' representatives in the National Agricultural Committee.

UNB adds: The cabinet also discussed alert measures against possible sabotage in electricity generation and transmission units.

The meeting stressed the need for setting up small power plants across the country.

To cope with the power shortages all new industrial units must build their own power plants, the meeting decided.

To make easier the process of setting up 10-mw power generators in private sector, bureaucratic bottlenecks will be removed," the source quoting the decision told UNB.

Beheaded body

From Page 1

man Bhuiyan, who visited the spot at about 1.15 pm, directed the GRP evict the floating people from the station area and tighten security.

A case has been filed with the GRP thana.

DESA: Power

From Page 1

generators would be of 20 to 40 Megawatt capacity which would produce a total of 320 Megawatt of power.

The ministry official also said the total requirement in the area covered by DESA is 1100 Megawatt, of which Dhaka metropolis needs 670 Megawatt.

DESA meets this requirement for the city dwellers by taking electricity only from the Power Development Board (PDB).

The Ministry also said that the power to be produced by DESA would join the national power grid, but during the peak hour it would serve the purpose of the Dhaka city.

The source also said that the ministry has already approved a proposal from Rural Electrification Board (REB) which wanted to produce 30 Megawatt electricity from three 10 Megawatt generators to be installed shortly.

Hartal: Hearing of suo moto rule adjourned

The hearing of the suo moto rule regarding pro and anti-hartal activities has been adjourned till April 21, reports APB.

The High Court Bench comprising Justice Mohammad Golam Rubani and Justice Mohammed Latifur Rahman allowed two days time following a prayer by Mahbube Alam, counsel for Awami League General Secretary Zillur Rahman, who is also LGRD and Cooperatives Minister.

On February 15, the HC division bench issued a suo moto rule directing the Awami League and BNP as well as the government to show cause as to why the activities for pro and anti-hartal should not be declared as cognizable offence.

In the rule, under section 561A of the Code of Criminal Procedure, the court also asked the opposite parties to explain why police should not be directed to take action accordingly in this regard.

Dhanmondi playground for whom?

From Page 1

managed to bargain it down".

Habibur Rahman however said they (BSCIC) knew the club authorities had no legal authority to collect revenue but "nothing can be one bypassing the club".

Chief of DCC's Estate Department, the wing that looks after city parks and fields, said Dhanmondi Club was never authorised by the DCC to collect any rent from anyone.

Chief Estate Officer Ehsanul Fattah said he had no knowledge that the club authorities were regularly renting out the public playground for commercial purposes. "They are not supposed to do this on a ground that belongs to us."

Fattah said, as per DCC rule, BSCIC should not have paid anything to the Dhanmondi Club for its fair in the field.

When asked whether BSCIC obtained any permission before using the field, Fattah replied, "I think they applied and I sent the file to higher authorities but

collect revenue. He however admitted that it was not fair to rent out a field in such a way but the club authorities have to do this because it has no source of income.

"But I can assure you that the club will no longer rent out the field for any such purpose in future," Babla said.

BSCIC officials present at the fair yesterday said that they paid the rent and obtained a receipt from the club authorities to use it for fair.

Asked why they did not take permission from the owner of the field, a BSCIC official identifying himself as AFM Habibur Rahman said they had written to the Chief Engineer of PWD but did not get any response.

Abdul Wafiq Khan Pathan, Deputy Manager of BSCIC's Research and Publicity wing said, "Some years ago, we paid only Tk 20,000 to the club. The rent is going up every year. This year they (club authorities) had demanded Tk two lakh but we

it (the file) has not yet been returned".

When contacted for his comment, State Minister for Youth, Sports and Cultural Affairs, Obaidul Quader said he is not sure to whom the field belongs. When this correspondent explained the whole thing, Obaidul Quader said, "I will call the club authorities soon and tell them not to use the field for any purpose other than sports."

Ward Commissioner of Dhanmondi area, Abul Khasr Babu condemned frequent use of the Dhanmondi playground for income generating ventures and appealed to the authorities concerned to stop the practice.

He said he had received numerous complaints from residents and sportsmen. "I do not understand how a sports club can deprive sportsmen and use the ground for commercial purpose round the year," the Commissioner told The Daily Star.

Residents around the field expressed their dismay at fre-

Shafi murder CID questions 5 DB men

By Staff Correspondent

CID investigators yesterday interrogated five DB officials in connection with the murder of Jalal Ahmed Shafi.

The five are SIs Shafiqul Islam, Akber Ali, Abdul Shahed and Moshirur Rahman and ASI Enamul Monwar.

They were taken to CID office yesterday evening. The interrogation continued till the filing of this report last night.

Meanwhile, investigation officer Munshi Atiqur Rahman told The Daily Star that AC Humayun Kabir would be asked today to report to his work place in Chittagang.

Asked about the findings from the arrested DB men, investigators said that they were continuing their probe into the murder.

The decomposed body of Shafi was recovered from the rooftop water tank at the DB office at Minto Road in the city on March 25.

CID has been investigating the murder from the very first day. It arrested five persons, four of whom are DB men. Of the arrested, DB canteen contractor and Dhaka central jail after three phases of remand.

N'ganj JP

From Page 1

After the incident, angry villagers set fire to the house of one Abdul Aziz, four shops and a dyeing factory. Fire Brigade personnel put out the fire.

Police arrested six persons in connection with the killing. They are: Abdul Aziz, Alam, Shahajan, Shafiqul Islam, Amanullah and Siddiq Miah.

Additional police force has been deployed there.

Police recovered the body of Halim and sent it to the Narayanganj General Hospital for autopsy.

Shima Akther, wife of the victim, lodged a murder case with Fatullah thana.

13 policemen

From Page 1

Khagrachhari and SP of Chittagong Metropolitan Police Khan Sayeed Hasan was transferred to Armed Police Battalion.

Assistant Inspector General of Police Nurul Anwar was transferred as AIG of Comilla.