

'ROK shaking off crisis impact'

CANBERRA, May 3: South Korea is shaking off the effects of the Asian financial crisis faster than Thailand, Malaysia and Indonesia, the other hardest-hit countries, according to a new Australian report released Monday, says AP.

The report, titled "Korean Rebuilds From Crisis to Opportunity," was produced by Australia's diplomatic service and gives credit to the Kim Dae-jung regime for economic reforms.

"President Kim Dae-jung and his coalition partners have acted decisively to implement the IMF agreement, resolve the financial sector crisis and undertake other structural reforms in the corporate sector and labour market," the report says.

It says the Korean government had tackled weaknesses in the economy with reforms to the country's financial sector, corporate governance and debt structure, foreign exchange regime, labour markets and its international trade regime.

The report, launched by Trade Minister Tim Fischer, in Sydney predicts that South Korea will emerge from the Asian

economic crisis with growth rates of 6 per cent a year.

South Korea is Australia's third largest export market after Japan and the United States, and its fourth largest trading partner overall.

Two-way trade between the two countries now exceeds 10 billion US dollars a year.

The department notes that the South Korean economy had been growing prodigiously until the regional economic crisis hit in July 1997.

"Since the early 1960s, per capita income has doubled every eight years, rising from 80 US dollars to 10,000 US dollars in 1996," the report says.

Averaged economic growth was 8 per cent a year over that time.

Weak prudential supervision of financial institutions and restricted financial market and corporate competition created moral hazard.

"Banks and corporates believed they would not be held accountable for their actions," it says.

The report warns that South Korea's troubles are not over yet.

IPPs agree to cut power tariffs in Pakistan

KARACHI, May 3: A bitter dispute between Pakistan's government and independent power producers (IPPs) is close to being settled after the firms agreed to reduce charges payable by the government, officials say, reports AFP.

The majority of IPPs have agreed in principle to reduce the charge for unpurchased electricity from 60 to 40 per cent an official of the state-run Water and Power Development Authority (WAPDA) told AFP.

Under power purchase agreements WAPDA is obliged to buy all the electricity generated by IPPs. If it fails to do so it must pay for the remaining portion at rates linked to a plant's generation capacity and other factors.

"This is a breakthrough which paves the way for an early settlement," the WAPDA official said.

The state-run agency has accumulated huge arrears on payments due for unpurchased electricity, creating a default

situation sources said.

Negotiations between WAPDA and the IPPs resumed early this month after Prime Minister Nawaz Sharif asked the agency to take over the task from a committee which failed to make headway.

Two WAPDA teams are currently negotiating with the IPPs and with a visiting delegation of British National Power plc.

The British firm runs a 1,290-megawatt power plant owned by Hubco, a consortium including Saudi, Japanese, US, Malaysian and French companies, besides the operator itself.

The Hubco plant is in Baluchistan province and the British company also runs another 1,500 megawatt plant at Kot Addu in Punjab.

About 20 IPPs set up power plants in Pakistan with investments totalling more than three billion dollars under contracts signed during the government of Benazir Bhutto in 1994, who was sacked as prime minister in 1996.

The government then withdrew notices of termination of contracts it had issued to several IPPs.

"Talks are taking place with all these IPPs," the WAPDA official said.

About half a dozen of the projects were already producing power while others were in various stages of implementation, WAPDA sources said.

The feud with the IPPs erupted last year when the government asked IPPs to bring down tariffs, alleging that exorbitant rates were secured through bribery and corruption.

The IPPs denied any malpractice and the government came under pressure from foreign donors and international lending institutions to settle the row and restore investor confidence.

Hubco and WAPDA agreed last month to resolve the issue through talks instead of litigation, a move hailed by investors.

Masood said Hubco was also under pressure from its creditors and share holders to pay a return on the investment.

Hubco and WAPDA agreed to reduce their power tariffs

from 6.5 to 5.6 cents per kilowatt hour.

Economist and stock broker Arif Habib said it was in the interests of both parties as well as the stock market to resolve the problem swiftly.

Saqib Masood, analyst at Dutch First Capital ABN-AMRO Equities in Karachi, said he expected an early settlement amid mounting pressure from creditors including the World Bank and the International Monetary Fund.

He said WAPDA was paying more than 16 million dollars a month to Hubco alone. "It will provide a big relief to WAPDA if this amount is reduced," he said.

Masood said Hubco was also under pressure from its creditors and share holders to pay a return on the investment.

Hubco and WAPDA agreed to reduce their power tariffs

Asian currencies close mixed

SINGAPORE, May 3: Asian currencies ended mixed against the US dollar today, as some units led by the rupiah benefited from foreign fund inflows which boosted stock markets in the region amid a long Japanese market holiday, dealers and analysts said, reports AFP.

The regional currencies will stop taking the lead from Japan at least until Wednesday," said Jacqueline Ong, an analyst with international financial house IDEAs.

She said foreign fund inflows into the region were benefiting currencies and stock markets.

The Indonesian rupiah ended trade here at 7,940 per US dollar from its close of 8,220

last Friday.

Indonesia's top economics minister Ginanjar Kartasasmita attributed the rupiah's strength to factors such as the recent implementation of a bank recapitalisation programme and the start of corporate debt restructuring.

"I'm optimistic the rupiah can come down into the 7,000-range. Our fiscal target is 7,500. Maybe that can be achieved," he said in Jakarta.

Analysts said Singapore's upward revision of 1998 economic growth to a high of 2.0 per cent, from 1.0 per cent, boosted sentiment but fears of intervention if the local dollar became too strong would carry on tomorrow.

BIA course on sales, marketing begins today

A training course on "Sales and Marketing" arranged by Bangladesh Insurance Academy (BIA) for Development Officers of Jibon Bima Corporation will begin at the BIA Bhaban in the city today, says a press release.

Thirty-one Development Officers will take part in the course which will conclude on May 17.

K M Mortuza Ali, Director of the academy, is likely to inaugurate the course.

Meanwhile, a training course on "Policy Servicing and Claim Settlement on Life Insurance" organised by the Academy was held in Chittagong recently. Another training course on "Office Discipline and Management" started at the BIA on April 20 which will end tomorrow.



Sri Lanka President Chandrika Kumaratunga speaks into a computer microphone yesterday in Colombo as she launches a state-run e-commerce site on the internet. The web site seeks to provide information on Sri Lanka to potential investors, both local and foreign.

— AFP photo

BCIC International Tender Notice

বিসিআইসি'র পথ শিখান্তে জাতীয় অগ্রগতির পথীক

Managing Director, Karnaphuli Paper Mills Limited, 92, Sadarghat Road, Chittagong invites sealed quotation on C&F (C) Chittagong basis under any suitable source of financing for the following items under two-envelope system:

Tender No.	Materials	Opening date	Cost of tender
1. F/44/MPIC-69/38/99/POP	Aluminium Hydrate — 300 MT	26.5.99	Tk 300/-
2. F/45/MPIC-01/43/99/POP	Paraffin Wax — 30 MT	26.5.99	Tk 250/-
3. F/1PT/06D/PML-810/95/POP	Caustic (Solution) Supply Pump	26.5.99	Tk 50/-

The quotation duly supported by 1% (min Tk 1000/-) earnest money will be received up to 11:00 AM in the mentioned date and will be opened immediately thereafter in presence of the tenderers if any. The tender document on cash payment may be obtained from (a) Dy Chief Accountant, Karnaphuli Paper Mills Ltd, 92, Sadarghat Road, Chittagong and (b) Controller of Accounts, BCIC, BCIC Bhaban, 30-31, Dilkusha Com Area, Dhaka on all working days. No tender document will be sold on the date of opening.

BCIC 341-22/4/99

DFP-8949-26/4

G-775

Roads & Highways Department Notice Inviting Tender

1	Tender Notice Number					
2	Name of work					
3	Estimated cost					
4	Earhest money					
5	Time for completion of work					
6	Eligibility for submission of tender					
7	Offices where tender schedule will be available					
8	Last date and time of selling tender schedule					
9	Offices of the officials where tenders will be received in sealed condition					
10	Last date and time of receiving tenders in sealed condition					
11	Date and time of filing tender in sealed condition					
12	Place, date and time of opening tender					
13	Date and time of lottery					
Gr No	Name of work and site	Estimated cost	Earhest money	Time for completion of work	Head of expenditure	Eligibility of contractors to submit tenders
1	2	3	4	5	6	7
1 (one)	Work of earth filling on the 14th, 17th and 20th km of the culvert and bridge approach on Dinarpool-Khayerjee-Nalua road under Barisal Road Division during 1998-99 fiscal year.	Tk 1,95,366/-	Tk 3,807/-	Khayerjee-Nalua road	'A' to 'C' general category of Roads and Highways Department, 'D' class general category of Barisal Road Circle and 'E' class of Barisal Road Division enlisted contractors	
2 (two)	Work of repair of HBB pavement on the 14th (part), 15th (part), 16th (part), 17th (part) and 19th (part) km of Dinarpool-Khayerjee-Nalua road under Barisal Road Division during 1998-99 year.	Tk 2,96,802/-	Tk 5,936/-	— do —	enlisted contractors	
3 (three)	Painting, distemper and sloseen, plastic paint in the residence of the Superintending Engineer, R&H Barisal Road Division during 1998-99 year.	Tk 98,112/-	Tk 1,962/-	168, road bridge, kheyaghata	do	

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

Tender Notice

Sealed tenders are invited from bonafide suppliers for : 1. Journal of Consulting and Clinical Psychology, 1993-98 issues 2. Clinical Psychology Review, 1995-98 issues, 3. Journal of Clinical Child Psychology, 1995-98 issues, & 4. Journal of Indian Clinical Psychology, 1995-98 issues.

Closing date: 10.5.99.

Chairman, Clinical Psychology Department, Arts Building Room No. 4004, Dhaka University, Dhaka-1000. C-344

Indonesia's cocoa output may rise by 6.5pc

JAKARTA, May 3: The Indonesian Cocoa Association (Asindo) estimates the country's cocoa production in the year to October will rise by 6.5 per cent to 330,000 tonnes compared to the previous year, a report said here Monday, reports AFP.

Invitation for Bids (3rd Invitation)

- The Government of the People's Republic of Bangladesh has decided to rehabilitate Ghorasal Unit number 1 and 2 (each 55 MW) Thermal Power Plants on turn-key basis under supplier's credit from CIS countries.
- The Bangladesh Power Development Board now invites sealed bids from eligible bidders for the following rehabilitation works of Ghorasal Power Plant Unit 1 & 2 on turn-key basis including the inspection, dismantling, repair, assembling, design, manufacture of required spares, consumables etc., supply and transportation to designated sites in Bangladesh, any required civil/structural work, erection, painting, completion, modification, overhaul, testing, commissioning up to provisional acceptance, training of operation and maintenance personnel and guarantee services during an 18 (eighteen) months guarantee period and final acceptance with the following brief scope of works:
 - Complete rehabilitation/modification of boiler and its auxiliaries.
 - Complete rehabilitation/modification and overhauling of turbine and its auxiliaries.
 - Complete rehabilitation/modification and overhauling of generator and its auxiliaries.
 Design, supply of materials, erection of equipment, construction, testing and commissioning of symphonic structure from river to pump house no. 1.
- Rehabilitation/modification/overhauling of circulating water system including pumps.
- Rehabilitation/modification/modernization and overhauling of I & C equipment.
- Supply of necessary spares & materials and consumable.

- All works shall be completed within a time period of 20 (twenty) months after effective date of contract.
- Interested eligible bidders may obtain further information from the office of the Manager (Maintenance), Ghorasal Power Station, Bangladesh Power Development Board (BPDB), Palash, Narsingdi, Bangladesh.
- A complete set of bidding documents will be available for purchase by any interested eligible bidder with effect from 9-5-99 on the submission of a written application to the Director, Purchase, BPDB, WAPDA Building (9th floor), Motijheel Commercial Area, Dhaka, Bangladesh and upon payment of a non-refundable fee of Tk. 10,000 (Taka ten thousand) only in the form of Pay Order/Demand Draft favouring of "Director, Purchase, BPDB, Dhaka, Bangladesh."
- Interested bidders may visit the aforesaid Power Station. Before visiting Power Station the bidder shall obtain necessary government permission.
- Two-envelope bidding procedure will be followed. One envelope marked "Technical Proposal" will consist of Technical Bid only, without any reference to price and the other envelope marked "Financial Proposal" will consist of "Financial Bid."
- Both Technical Proposal and Financial Proposal must be delivered to:

The Secretary,
Bangladesh Power Development Board
Motijheel Commercial Area
Dhaka-1000, Bangladesh

not later than 11.00 AM local time on June 10, 1999. The Technical Proposal will be opened immediately thereafter in public in presence of the bidders' representatives, if any.
- The Technical Proposal must be accompanied by a bid bond of the sum not less than US\$ 500,000 (US dollar five hundred thousand) only in the form of an irrevocable and unconditional Bank Guarantee issued by any scheduled bank of Bangladesh or by a foreign bank duly endorsed by a scheduled bank in Bangladesh payable in favour of the 'Secretary, BPDB'.

Secretary</p