

BSRS earns  
Tk 5.52 cr profit  
in '97-98

Bangladesh Shilpa Rin Sangstha (BSRS) earned Tk 5.52 crore as net profit in the financial year 1997-98, a BSRS press release said yesterday, reports BSS.

This was disclosed at a meeting of the Board of Directors of BSRS yesterday with its chairman Hasnat Abdul Hye in the chair. The Board also approved the audit report for the fiscal 1997-98, the press release said.

Of the total net profit, Tk 70 lakh would be paid to the government as dividend.

The Board expressed satisfaction for making profit by the BSRS and opined that the Sangstha would be able to contribute more in the national economy in future.

### BSFIC's new chairman

AS Salahuddin Ahmed has been appointed Chairman of Bangladesh Sugar and Food Industries Corporation (BSFIC), according to a press release, says BSS.

Earlier, he was holding the current charge of the post of Chairman of the Corporation.

Ahmed joined as a chemist in the Shyampur Sugar Mills in Rangpur in 1967 under erstwhile East Pakistan Industrial Development Corporation (EPIDC) and served in different production and management positions during his long professional career.

Thai exporters may get compensation for interest burden

Thailand's Commerce Ministry has proposed that the Export and Import Bank of Thailand (Exim) set aside 150 million baht (4.05 million US dollars) for exporters trading with new market partners as partial compensation for their interest burden. The National reported today, reports Xinhua.

Under the proposal, exporters could be compensated five per cent of the interest burden they incur on the value of their exports over and above last year's level.

So far, the Bank of Thailand has supported moves in boosting exports by providing export credit of two billion baht (54 million dollars) to the Exim, which will directly lend this amount to exporters.

Moreover, the Exim has also extended its insurance services to cover small export bills and payment agreements under letters of credit.

The Finance Ministry has also agreed in principle to allow exporters to new markets to double their tax deductions by including expenses for marketing campaign.

While these fiscal and monetary measures are to be put in place, the Commerce Ministry has set aside 120 million baht (3.2 million dollars) of its budget to support expenses related to activities aimed at boosting new export market.

Garment, textile exports of Vietnam up

HANOI, June 9: Vietnam's garment and textile industry attained an export value of 429 million US dollars in the first four months of 1999, a 28 per cent year-on-year increase, says Xinhua.

According to a report of Vietnam News Agency Tuesday, the garment and textile industry's export turnover in May was estimated at 110 million dollars, bringing its total export earnings to 540 million dollars in the first five months of this year, up 10.6 per cent from the corresponding period last year.

Noteworthy was that garment and textile exports to the non-quota markets accounted for 70 per cent of the total export volume with the remainder to the EU market.

Vietnam's earnings from jacket exports to the EU market made up 50 per cent of its total export value in the first five months of this year. However,

SINGAPORE, June 9: Jitters over European food have spread across Asia following a scare over cancer-causing dioxin found in Belgian livestock feed, says AP.

Malaysian authorities told stores this week to clear a wide range of European food products from their shelves, threatening five years in jail for anyone caught breaking the ban.

Chicken feet — a southern Chinese delicacy — were among the European poultry products likely to be banned from China, a quarantine official in Beijing said Wednesday.

The Chinese will cover products from Belgium, Germany, France and the Netherlands, and will probably take effect this month, said the official, who gave only his surname, Li.

The Philippine government has banned poultry, beef and pork products from the same four countries as China.

"There is a big outbreak in

# Country's food production hits record high this yr

Agriculture sector, the highest contributor to the GDP, registered a considerable growth in food production over the last three years including an all-time high recorded this year, reports BSS.

According to official data, the total food cereals production was 1.9056 crore metric tons (MT) in 1995-96 which jumped to 2.1358 crore MT in 1998-99, an increase by 0.2302 crore MT in only three years to fulfil government's aim to ensure the country's food security.

From the 1995-96 level, the annual food cereals production rose to 2.0337 crore MT in 1996-97, 2.1802 crore MT in 1997-98 and 0.2 MT in 1998-99 that recorded a straight over 6 lakh MT rise by now.

The statistics said the staple food crops like *amani* was being grown on 15.00 lakh hectares, sowed *aman* on 8.15 lakh hectares, transplanted *aman* on 50.00 lakh hectares, *boro* on 35 lakh hectares and wheat on around 10 lakh hectares of land in the country.

An expert quoting the statistics said around 41 lakh hectares of land were not fit for cultivation while there were 4 lakh hectares of cultivable fallow land and 6.26 lakh hectares of constant fallow land in the country.

The report said the government was gradually diverting the farming system from the monsoon-based dependence to the irrigation-based system

1.6635 MT in 1995-96 rose to 1.8302 MT in 1996-97, 1.7279 MT in 1997-98 and 1.9164 MT in 1998-99.

Of the food cereals, *boro* crops marked a remarkable growth from 0.7221 crore MT in 1995-96 to 0.7460 crore MT in 1996-97 and 0.8137 crore MT in 1997-98. But the lean-season crop by its all-time high yields this year at 1.05 crore MT led to bumper crop during the current fiscal.

Wheat production with 0.1369 crore MT in 1995-96 rose to 0.1454 crore MT in 1996-97, 0.1802 crore MT in 1997-98 and 0.2 MT in 1998-99 that recorded a straight over 6 lakh MT rise by now.

The statistics said the staple food crops like *amani* was being grown on 15.00 lakh hectares, sowed *aman* on 8.15 lakh hectares, transplanted *aman* on 50.00 lakh hectares, *boro* on 35 lakh hectares and wheat on around 10 lakh hectares of land in the country.

An expert quoting the statistics said around 41 lakh hectares of land were not fit for cultivation while there were 4 lakh hectares of cultivable fallow land and 6.26 lakh hectares of constant fallow land in the country.

The report said the government was gradually diverting the farming system from the monsoon-based dependence to the irrigation-based system

through increasing the extension facilities throughout the country.

The government has also intensified its efforts through the crop diversification programme to increase production of potato, fruits, vegetables, pulses, oilseeds, maize and other minor crops side by side strengthening the integrated pest management programme by reducing use of pesticides for protection of environment.

In light of the new agriculture extension policy, the government will facilitate and accelerate technological transformation with a view to becoming self-sufficient in food production and improving nutritional status of the population.

The specific short and mid term objectives of the perspective plan up to the year 2010 speaks of self-sufficiency in foodgrains and increasing production of other nutritional crops side by side the sustainable growth in agriculture through more balanced use of land, water and other resources.

Besides, the broad agriculture policy adapted by the perspective plan strongly pleads for enhanced agriculture exports, rise in per hectare yield, introducing high value cash crops and improving quality and availability of seeds.



Picture shows model Naomi Campbell wearing The Graff Millennium Necklace as designer Donatella Versace on Wednesday showed off millions of pounds worth of diamonds which was to be the centrepiece of the design house's first UK fashion in London last night. Miss Versace posed with top models wearing the jewellery at a press conference in the Dorchester Hotel in London.

—AFP photo

WB to finance renewable energy project in China

WASHINGTON, June 9: The World Bank on Tuesday announced the approval of a loan of 100 million US dollars and a grant totaling 35 million dollars under the Global Environment Facility for the Renewable Energy Development Project in China, says Xinhua.

The project will use wind-generated electricity to increase the power supply to communities already receiving electricity and use photovoltaic or solar-generated electricity to supply schools, households, and small businesses in the poorest parts of northwestern rural China, the bank said in a statement.

The project consists of two parts. The first part involves the use of solar-powered energy. Individual homes, shops and schools in isolated rural areas will be equipped with solar panels that will generate electricity that could be stored and used during evening and night time hours.

The second part of the project will increase the supply of electricity to local communities in four selected regions at the provincial level — Inner Mongolia, Hebei, Fujian and Shanghai — and reduce greenhouse gas emissions through the construction and operation of windfarms at five strategically chosen sites.

China has vast wind resources concentrated in the north of the country stretching from Xinjiang in the west to Inner Mongolia in the east, as well as along the coastal region lying on the East and South China Seas.

The production of electricity from renewable energy provides a clean energy alternative to the coal-fired power plants traditionally used to generate electricity in some parts of the country.

The loan will be at the bank's standard interest rate for LIBOR-based, US dollar single-currency loans, with a maturity of 20 years, including a five-year grace period.

Japan should boost public spending, says PM's adviser

TOKYO, June 9: A top economic advisor to Prime Minister Keizo Obuchi said on Wednesday that Japan should consider boosting public spending soon to stimulate economic growth, says AP.

"Now is a good time to consider a supplementary budget, including measures for employment and spending on public works," said Ichizo Ohara a member of the House Representatives from Obuchi's ruling Liberal Democratic party.

Generous outlays for road and bridge construction and other public projects in recent years have pumped hundreds of billions of dollars into the Japanese economy and kept it from sinking further into recession.

Politicians and business leaders have proposed opening public coffers even further, arguing that only a massive dose of government spending will get Japan's economy growing again.

A low interest rate policy — another way to stimulate growth — has been largely ineffective because there has been little demand for loan even at very low rates.

Many manufacturers are already saddled with more equipment than they need and bad-loan problems at banks have made them reluctant to lend.

Ohara warned, though, that the government should closely monitor the rates on long-term government bonds for several months before making a decision on compiling a supplementary budget.

Japan would have to issue bonds to pay for an increase in public spending and many investors and analysts worry they could flood the debt market and drive interest rates higher.

That scenario is a danger for Japan because rising rates could exacerbate the already severe credit crunch and kill a recovery before it begins.

Ohara said it's too early to say how much money the government would need to spend.

## Iran approves bill on easing labour laws

TEHRAN, June 9: Iran's parliament approved bill yesterday to ease labour laws as part of a drive to encourage investment and improve the country's chronic unemployment problem, but the assembly must still work out the final details, says Reuters.

The law, passed by a narrow margin of 107 to 93, exempts firms with three or less employees from labour regulations for six years.

The bill, pushed through by advocates of economic free markets, has caused tension with state labour unions and provoked labour unrest throughout the country last month.

Debate on details of the new will resume on Wednesday.

Iran introduced strict labour laws after its 1979 Islamic revolution, which sought to defend the interests of the economic underclass.

The laws make it nearly impossible for an employer to fire his workers and requires various benefits for them.

The laws, however, have been challenged over the past decade as the country has tried to move from a centralised economy to a free market. Politicians across the spectrum

## Thailand confident of economic recovery

BANGKOK, June 9: Thai Finance Minister Tarrin Nima-naehmina said yesterday he was confident the Thai economy would show increasing signs of recovery in the months ahead, aided by a major government stimulus package unveiled in late March, a stable baht and sustained low interest rates, says Reuters.

Tarrin told members of the Thai Economic Reporters Association that he had no doubt Thailand would achieve its target of one per cent growth in the gross domestic product (GDP) this year after the recession-hit economy contracted about eight per cent in 1998.

"The one per cent growth target is a sure thing," he said.

The finance minister said that, despite weak world demand and intense Asian competition, the country could meet its four per cent export growth in dollar terms in 1999, against a 6.8 per cent contraction last year, if export performance in

the first four months was maintained in the rest of this year.

January-April exports averaged \$4.67 billion a month. If we can maintain the level between now and end-1999, we are easily within target to achieve four per cent growth," he said.

He attributed a decline in April exports, after steady monthly growth in the previous three months, to long holidays during the month when most Thais stopped working for almost a week to celebrate the Thai New Year.

"I believe export and import declines in April were just a blip amid recovery signs since early this year. I am eagerly waiting for the May figures, which should be positive," he said.

Tarrin reiterated the government had no policy of keeping the baht at an unduly strong level to the extent of hurting exports. The Thai currency has steadied in the range of 37-38 to the dollar since mid-October last year.

fats and oils processor thought to be at the heart of the food scare.

The Commission repeated on Monday its demand for an exhaustive list of all feed and food manufacturers who received supplies from Verkest between January and June.

Dehaene said a list of some 800 poultry farms with links to Verkest had been drawn up on Monday night. Sales of chicken and eggs from these farms would remain banned until tests showed they were clear, but the remaining three-quarters — 2,456 farms — could put produce back on the market on Wednesday.

A similar list for cattle and pig farms should be completed on Wednesday, meaning safe beef, pork and by-products could go back on shop shelves on Thursday.

"We believe 95 per cent of Belgian food is safe," Dehaene said.

## Congress may witness hot debate this year

## US adminn, businessmen for renewing NTR with China

WASHINGTON, June 9: US administration officials and business leaders urged Congress yesterday to back President Bill Clinton's decision to renew trade ties with China despite spying allegations and human rights concerns, says Reuters.

The administration and business supporters of continued trade ties with China face a tough fight in Congress during this year's annual debate on Beijing's trade status after a special Congressional report outlined allegations that China stole secrets from US nuclear research facilities.

Opponents told the panel continued trade ties have done little to stop human rights abuses or weapons proliferation and that the US trade deficit to China has only gotten bigger.

The Chinese are using their \$60 billion annual trade surplus with us to modernise their armed forces, including building nuclear missiles aimed at the United States, Representative Dana Rohrabacher told the panel.

Representative Nancy Pelosi, a California Democrat, argued that "Normal Trade Relations" do not exist. She told the panel that with the US-China deficit expected to balloon to \$67 billion this year, from \$60 billion in 1998.

### New GM of BKB



Al-Haj Abdus Sukur Khan has joined the Bangladesh Krishibank as General Manager, says a press release.

Prior to this new assignment, he was the Deputy General Manager in Sonali Bank Reconciliation Department.

He started his banking service as Trainee Supervisor in the then National Bank of Pakistan in 1967.

He visited Thailand under ULDP programme.

### IMF chief says financial crisis over, Asia sees an upturn

PHILADELPHIA, June 9: International Monetary Fund Managing Director Michel Camdessus said yesterday the nadir of the global financial crisis had past and saw an upturn in the economies of Asia, says Reuters.

Certainly, the worst of the current emerging market crisis seems to be behind us. In Asia, the countries at the heart of the crisis are close to or even past the turning point, he told the International Monetary Conference in Philadelphia.

In his prepared remarks, Camdessus noted that South Korea had experienced an upturn in economic activity and that there was a rebound in confidence among investors approaching Latin American markets.

Camdessus said there was some evidence that earlier estimates of the severity of the downturn in Latin American economies, particularly in Brazil, may be too pessimistic.

Turning to Russia, the IMF's biggest borrower, he expressed the hope that the new government there would follow through on promised reforms.

Thailand's Finance Minister Tarrin Nima-naehmina said yesterday he was confident the Thai economy would show increasing signs of recovery in the months ahead, aided by a major government stimulus package unveiled in late March, a stable baht and sustained low interest rates, says Reuters.

Deutsche Presse-Agentur (DPA) reported that the Thai government had no policy of keeping the baht at an unduly strong level to the extent of hurting exports