

Minister tells JS Target to produce 20.75 lakh MT of fish fixed

Fisheries and Livestock Minister A S M Abdur Rab told the Jatiya Sangsad yesterday that a target have been fixed to produce 20.75 lakh metric tonnes of fish by the year 2001-2002, the terminal year of the Fifth Five-Year plan, to meet the shortfall in fish production, reports BSS.

Replying to a question from Md. Wazi Uddin Khan (AL-Pabna), he said there is a yearly demand for 20 lakh metric tons of fish in the country, while production stands at 14.91 lakh tons.

He said that the Fisheries Directorate was implementing 14 invested schemes and six technical assistance schemes were being implemented with funds from the World Bank, International Fund for Agricultural Development (IFAD), Danida, European Union, World Food Programme and other development assistance organisations along with the government's own fund.

3-week Italian course for local entrepreneurs

A group of 18 young entrepreneurs and managers from leading Bangladeshi textile, tannery and footwear companies will leave for Italy on a three-week training course at Prato, says a press release.

Sponsored by the Italian Trade Commission in collaboration with the Italian Region Toscana and the Embassy of Italy in Bangladesh, the course will start on the 20th June and continue till 9th July.

There are promising scopes for cooperation between firms of both the countries engaged in the textile, tannery and footwear sectors. The entrepreneurs and managers, during their stay in Italy, will participate in conferences, lessons and case studies on issues related to international marketing and techniques in the global trade and management, according to the most advanced notion in the industrialised countries. This will constitute the basis for strengthening the bilateral cooperation between Italy and Bangladesh with particular reference to the Tuscany region, the press statement said.

Weekly tea sale Market witnesses poor demand

CHITTAGONG, June 16: The weekly tea sale held here today was marked by less demand and lower rates due to absence of foreign buyers and lack of interest from local buyers, market sources said, reports BSS.

Internal buyers including blenders were mainstay of the market. Foreign buyers, excepting selective ones from Poland and the CIS countries, were absent.

Dust category tea met with better demand, while blenders lent good support.

Bold Brokens mostly remain unsold owing to low bids. Large Brokens again witnessed fair demand at lower rates declining further by Tk 2 to 2.50. The few clean medium and smaller Brokens met with a fairly good demand but eased by Tk 2 to Tk 3, while all others were much lower, often declining by upto Tk 5 per kg with fair withdrawals.

Fanning Met with a fair demand particularly cleaner types which eased only by Tk 2 to 6.50. However, higher valued teas declined by a greater margin. Other types were mostly neglected.

Some 690 Chests and 1,287 gunny sacks of Dust category on offer met with better demand. Few best liquoring types were fully firm, while others were by 2 to Tk 3. Loose tea buyers and blenders lent good support.

There were 7,484 chests and 5,885 gunny sacks on offer.

Airbus corporate jetliner flies 12,825 km nonstop

Airbus Industrie's Corporate Jetliner (ACJ) has flown non-stop from Santiago, Chile, to Le Bourget, Paris, in an impressive 15 hour and 13 minute flight covering 12,825 km, says a press release.

The flight highlights the inter-continental range of the ACJ — essentially an A319 airliner with extra fuel-tanks in the cargo hold — which offers customers the widest and most spacious cabin in its class.

The flight is part of trials that will lead to certification of the extra fuel-tanks which can easily be loaded and unloaded to suit the needs of different missions. It was made with an ACJ without a cabin interior, but with some 2,000kg of flight-test instrumentation on board.

Pierre Baud, vice president of Airbus Training Centre and former Vice President of the Flight Division, led a team of five for the non-stop flight. Other crew members comprised Engineering Test Pilots Ed Strongman of Airbus Industries and Didier Poisson of the Centre d'Etudes en Vol, which represents the French airworthiness authority, and flight Test Engineers Jacky Joye and Gerard Desbois.

Lawyers for lifting VAT on advocacy

Star Business Report

Bangladesh Supreme Court Bar Association (BSCBA) yesterday urged the government to withdraw VAT on advocates who maintain juniors.

The demand was raised at an emergency general meeting of the BSCBA held at its auditorium in the city with Shafique Ahmed, President of the association, in the chair.

"The Supreme Court Bar Association deplors the imposition of VAT on lawyers who maintain juniors. The association feels that this strikes at the root of legal profession," the meeting in its resolution said.

Advocates maintain juniors

in their chambers to train them up and to sustain them for the initial years. "If an advocate is penalised for rendering this service for the cause of the Bar and the lawyers, the end result can only be that the juniors will not get any training and the profession will suffer irreparably," a press statement issued by BSCBA said.

"This Bar has always been vigilant in protecting the interest of the legal profession and will take steps albeit if forced to protect its interest in whatever means it feels necessary."

BSCBA said there is no reasonable standard for determining how VAT will be realised.

VAT is realised on products and a lawyer's service cannot be a product.

There is no precedence in any civilised country of imposing VAT on lawyers mainly because a lawyer's service is not a tangible product.

The VAT will be paid ultimately by the clients who are in distress. To tax a man in distress is inhuman.

"If the government fails to delete the provision of VAT within seven days in the budget, there will be a call for national movement inviting the presidents and secretaries of all Bar Association of the country."

26th AGM of Renata held

The 26th annual general meeting (AGM) of Renata Limited was held yesterday at a local hotel. S H Kabir, Chairman of the Board of Directors, presided over the meeting, says a press statement of the company.

The meeting was apprised that Tk 530.3 million turnover of the company in 1998 represents a growth of 19 per cent over that of 1997. In 1998, profit before tax almost doubled.

Pharmaceutical sales grew by 16 per cent against estimated market growth of 6 per cent. The company retained market leadership in animal health medicines with a 28 per cent increase in sales. There had been a 45 per cent growth in sales of medical devices of British Oxygen Company Bangladesh Limited. In 1998, Renata entered animal nutrition sector with technical assistance from BASF.

As a result, Kabir disclosed that in 1998, profit before tax almost doubled over that of 1997.

Kabir informed that in the beginning of 1999, Renata Limited received ISO-9001 certification for its quality system.

He said that Renata has recently launched Simvastatin (Zostin), world's most prescribed cholesterol-lowering agent. It will enter the cosmetic healthcare market with anti-acne products and from the second half of this year will market medicines for the fast-growing poultry industry.

Kabir also informed the meeting that BRAC-Renata Agro Industries Ltd had started production this year and would run at full capacity by the end of 1999. The company's chemical synthesis plant will be manufacturing and marketing pharmaceutical raw materials from the current year.



S H Kabir (C), Chairman of Renata Limited, addresses the 26th annual general meeting of the company. Also seen (from left) are Shafiqul Alam, Finance Manager and Company Secretary, Syed S Kaiser Kabir, Director, Dr Sarwar Ali, Managing Director, and SA Chowdhury, A Hasnat Khan, and Dr SF Begum, Directors of the company. — Renata photo

Movement towards global stock market gathers momentum

NEW YORK, June 16: Movement towards a global stock market gathered momentum yesterday with the announcement of plans to set up a Japanese offshoot of New York's Nasdaq electronic exchange in Tokyo, reports AFP.

The joint venture between the National Association of Securities Dealers (NASD) and Japanese Internet investor Softbank will create a market operating almost 24 hours a day.

While the New York Stock Exchange, bigger in terms of capitalisation than Nasdaq, has concentrated on attracting

multinationals to list on Wall Street, Nasdaq has chased international alliances.

Following its fusion last year with the American Stock Exchange (Amex), the Nasdaq established links with the Hong Kong Stock Market — though not yet to the extent of common trading — and opened an office in Shanghai to attract fledgling Chinese companies.

The goal of the Nasdaq-Softbank joint venture announced Tuesday is to shake loose Japanese capital for wealth and job creation, both companies said.

"Nasdaq's experience in cre-

ating the world's most advanced stock market will enable us to build a stock market for Japan that will stimulate capital growth and entrepreneurial activity that has long been dormant," said Softbank chairman Masayoshi N. speaking from Tokyo in a broadcast shown at Nasdaq's Manhattan headquarters here.

NASD says that global stock market capitalisation will have grown from 23,000 billion dollars in 1990 to 51,000 billion in 2000. In the same period foreigners will nearly triple their ownership of US stocks while Americans will quadruple their foreign stock buys.

In Japan, Nasdaq will offer Japanese entrepreneurial firms a new method to raise capital. The cost of a Nasdaq listing are significantly lower than for the New York Stock Exchange and on screen electronic trading allows for greater liquidity for shares.

Nasdaq star stock include Microsoft, Intel, Dell, Cisco Systems, Oracle and Sun Microsystems, heavyweights of the high-tech sector which were small when they joined the newly created Nasdaq in 1971.

The Japanese offshoot, Nasdaq Japan, will begin operations in late 2000, and will be an Internet technology-based stock market subject to Japanese regulatory authorities.

Said NASD chairman Frank Zarb, "It is a natural marriage coming at just the right time."

"With the leadership of our strong Japanese partner we will utilize the power of the Internet to create an equity market that stimulates job creation and economic growth."

BOI reassures investors of needed supports

The Board of Investment (BOI) has reiterated its commitment to provide all necessary supports to the investors to increase the inflow of direct foreign investment (FDI) in Bangladesh, reports BSS.

BOI Executive Chairman Sirajuddin Ahmed gave this assurance during a meeting with the investors of the Republic of Korea (ROK) at BOI headquarters in Dhaka Tuesday.

ROK ambassador to Bangladesh Tae Kyu Han was present on the occasion.

In reply to the Korean investors' demand for providing infrastructural support including smooth power supply and telecommunications and container handling facility at Chittagong port, Ahmed said that the BOI as well as the government would do their best for the

foreign investors here and added that continuous efforts were being made to attract more foreign direct investment in Bangladesh.

Ahmed told the investors that the BOI had already taken some initiatives to help solve industrial problems in the country.

The Korean investors also sought BOI help to solve other problems in the Dhaka Export Processing Zone (DEPZ) area like traffic congestion at DEPZ gate, opening of an Export Promotion Bureau (EPB) office at Savar, duty-free shops for the foreign investors, extension of round-the-clock customs service, simplification of the customs service, fire station and improved medical services at DEPZ and free transfer of dollar.

Strategy tops French agenda

G7 sets strict criteria for poor nations' debt relief

BONN, June 16: The seven wealthy nations (G-7) will at this week's Cologne summit relieve up to 70 billion US dollars of debts owed by the world's 36 poorest countries, a German minister said Tuesday in Bonn, reports Xinhua.

But, the debt-relief initiative raised by Germany will not benefit all the 41 least developed countries in the world, said Development Aid Minister Heidemann Wiczock-Zeul.

Furthermore, the 36 chosen countries must meet strict standards set by the G-7, a bloc including Britain, France, Germany, Italy, Japan, Canada, and the United States.

Sudan, Liberia and the Republic of Congo have been excluded from the list "considering their humanitarian and democratic situations," she said.

The top demand to the chosen countries would be what Wiczock-Zeul termed "reform programmes" that would last for three years before the actual

start of the debt relief process.

The reform plans aimed at helping citizens in those 36 nations should be hammered out after wide consultation, she said, adding that the resources and funds released by the debt remission process must be invested in public health care and education.

G-7 officials have drafted the formal text of the initiative, that is due to be adopted by their leaders on June 19 or 20, said Wiczock-Zeul.

Totally, the 41 poorest countries have owed 157 billion US dollars to the wealthy nations. Thus some 45 per cent will be wiped out under the plan and in some cases 90 per cent, or even 100 per cent debt remission can be expected, she said.

Meanwhile Strategies to cope with the world's burgeoning debt load will top France's agenda at this week's meeting of the world's seven most industrialized countries and Russia.

France intends to try to fo-

cus the discussions on the debt issue at the three-day Group of Eight summit in Cologne which begins Friday, said Nina Mitz, a spokeswoman for the French Finance Ministry.

Debt is sapping the resources of economically powerful countries, which must prop up poorer nations. It also slows down economic growth and helps fuel unemployment.

President Jacques Chirac discussed debt and other key economic issues during talks in Washington with President Bill Clinton and senior officials in the World Bank and the International Monetary Fund this spring.

Chirac has come out in favour of revamping the world's financial architecture, including the adoption of a "highway code" for international capital flows.

The French president will be leading the team of officials from his country in Cologne and is expected to take an active part in economic discussions.



Some 10,000 labour union workers protest chanting anti-government slogans during a rally in Seoul on Wednesday. A total of more than 20,000 union workers staged strikes across the country following accusations that the authorities deliberately provoked a strike at a state firm so they could crack down on labour leaders and their movement. —AFP photo

Thai auto industry riding crest of Asian recovery

BANGKOK, June 16: Latest data shows Thailand's auto industry riding the crest of Asia's recovery as exports and domestic sales surge, bolstering hopes the country could become a vehicle manufacturing hub for southeast Asia, reports AFP.

Auto manufacturing in Asia, particularly in Thailand and South Korea, was hammered by the economic crisis as domestic and regional demand plummeted.

But official figures now suggest the industry is leading the way out of the nightmare of Thailand's deepest economic recession.

Foreign auto giants are eyeing Thailand for long-term construction projects, keen to

solidify a base before a full-scale rebound.

Bayerische Motoren Werke AG (BMW) and DaimlerChrysler AG have announced production projects and French giant Renault, which has just formed an alliance with Japan's Nissan Motor Co. Ltd., is rumoured to be considering a move.

Thailand offers potential partners a location in central southeast Asia, an ample supply of labour and incentives to foreign firms.

The government is also promoting a hands-off policy to international companies, promising no under-hand deals will be made to solicit business.

"We let the market pick the winner without government

intervention — the government won't pick the winners," Staphorn Kavitanon, secretary-general of the Office of the Board of Investment, told AFP.

"We give the same distance to every company, the same level playing field."

"Some may end up with a very small factory — that's fine — and some may end up doing things big."

BMW recently committed to Thailand and started building a plant which aims to produce 10,000 three-year models and Land Rovers every year by 2004.

Officials from the firm said last month the plant could later be expanded to produce new Mini and Rover cars for export within a decade.

Thailand is already an export centre for Ford/Mazda and Mitsubishi Motor Co., which are both shipping one-ton pickups, notably to Australia.

Daimler Benz recently said the company was studying a plan to make Thailand an export hub to manufacture key components, possibly including engines and transmissions, according to AFX-ASIA, an AFP affiliated news wire.

"Thailand has more reasons to be cheerful about the future than other main markets in the region," one foreign analyst said.

Thailand's domestic car market is dominated by Japanese firms.

Toyota's sales account for

around a third of the domestic market, followed by Isuzu and Nissan. Many of the vehicles are produced in Thai factories.

Auto exports from Thailand surged 84.2 per cent in the first quarter of this year, according to figures released by the Federation of Thai Industries.

Exports rose to 20,514 units, with revenues climbing 44.9 per cent to 7.6 billion baht (207.1 million dollars).

More than a third of all cars assembled here were intended for export as manufacturers tried to sidestep still stagnant domestic demand.

More good news emerged Monday, as figures for May suggested booming domestic consumer confidence, backing up

perceptions Bangkok's notoriously congested streets are returning to their pre-crisis gridlock.

Vehicle sales rose 42.8 per cent year on year in May and could reach 200,000 units by year-end, manufacturers said.

A total of 15,340 cars were sold domestically, up 9.3 per cent on April, boosting accumulated sales for the first five months 65,609 units, Toyota (Motor) Thailand said in a statement.

The rises contrast with a dismal 1998 for the industry, when vehicle sales plummeted 60.3 per cent on the year before, according to figures produced by Toyota.

Business Briefs

Layoffs subside in Singapore

SINGAPORE: Layoffs have subsided in Singapore, but the wealthy island republic's economic outlook is still uncertain, officials said Tuesday.

The number of employees laid off dropped to 3,402 in the first quarter of 1999, down from the 6,500 to 8,000 reported in each of the four quarters last year, Singapore's Manpower Ministry said in a news release.

Job openings in the city-state of 3.2 million people increased to 16,774 in the first quarter, from an all-time low of 12,630 in December, the ministry said.

The ministry credited national cost-cutting measures and a pickup in the manufacturing sector for the drop in layoffs. It also said job-seekers had gotten less choosy because of rising unemployment.

But officials were only cautiously optimistic about the situation in Singapore, which is still feeling the effects of its worst-ever recession.

"Even if our economy has bottomed out, it would take some time for economic growth and subsequently employment creation to reach pre-crisis levels," the ministry said in its latest quarterly report, out Tuesday.

Filipino imports up in April

MANILA: Philippine imports rose in April for the second consecutive month, in another sign the tide may be turning for the country's economy following a series of favorable economic developments, analysts said Tuesday.

Imports to the Philippines grew 5.7 per cent to \$2,597 billion in April from a year earlier, the government announced Tuesday.

Before March, the Philippines experienced 13 consecutive months of declining imports, reflecting a slump in manufacturing and business activity caused by Asia's 2-year-old financial crisis.

Analysts believe the growth in imports is further proof the economy is headed for a strong recovery this year. Philippine manufacturers rely heavily on imported components, especially in the electronics sector, which is the backbone of the country's exports.

Two straight months of import growth is positive for the economy because it serves as the foundation for export growth," said PCIBank Trust analyst Edison Yap.

Yap noted that a sharp rise in imports of electronics and components shows manufacturers and exporters are gearing up to increase output later in the year.

Export growth contracted surprisingly sharply in April because of lower demand for Philippine products from some major trading partners.

Thai SEC to lower broker fees

BANGKOK: Thailand's Securities and Exchange Commission has agreed to lower broker fees to help increase trading fixed-income instruments.

The proposal was made by the Stock Exchange of Thailand in an effort to boost liquidity.

Nataya Niyamanusorn, an SEC spokeswoman, said Tuesday that the commission's board voted to abandon the minimum fee that customers pay brokers to buy or sell fixed-income instruments on the exchange.

The bourse must now change its own laws to allow customers to negotiate fees freely with brokers, Nataya told Dow Jones Newswires.

Currently, customers trading fixed-income funds or debt warrants on the stock exchange must pay 0.3 per cent of the transaction value to brokers. Government or corporate bonds carry a 0.1 per cent fee.

According to Nataya, allowing lower broker fees is part of the exchange's plan to boost liquidity of Thailand's fixed-income market.

HK unemployment holds steady

HONG KONG: Unemployment in recession-plagued Hong Kong held steady at a record 6.3 per cent in the three months ending May 31, the government said Tuesday in a report that hinted the situation might get worse before it gets better.

Government economist Elley Mao said that even though the jobless rate has stabilised — at its worst level since the government began tracking the data in 1984 — an increase in unemployment could occur as recent school graduates enter the job market.

The government also said more people in Hong Kong are underemployed, or holding jobs below their level of qualification. The underemployment figure was at 2.9 per cent in the three-month period that just ended, compared with 2.8 per cent in the three months ending April 30.

Joblessness went up in decoration and maintenance, as well as in the retail and transportation industries, the government said in a statement issued after the stock market had closed for the day. — AP reports