

Increased private sector involvement stressed G7 okays long-awaited plan to avert financial crises

COLOGNE, Germany, June 19: Leaders of the Group of Seven industrial nations on Friday approved a long-awaited plan to stop the world tumbling into financial crises in future, says Reuters.

The six-point programme involves the private sector more deeply and at an earlier stage in tackling the kind of financial turbulence that wracked Asia, Russia and Latin America in the last two years and almost caused a world recession.

The G7 leaders said in a statement released at their Cologne summit that their recommendations would help "reduce the risk of financial crises and make it easier to manage future crises effectively."

"Market discipline will work only if creditors bear the consequences of the risks that they take," the G7 proposal said.

The G7 said the recent financial crises, which started with a currency devaluation in Thailand in 1997 as investors lost confidence and pulled out their funds, had "revealed key weaknesses in the international financial system."

The G7 blueprint, which monetary officials stated drawing up last year when the emerging markets turbulence shocked developed nations by causing stock markets to plunge world-

wide, recommended that reforms be undertaken in six priority areas:

- Strengthening and reforming international financial institutions such as the IMF and World Bank;
- Enhancing transparency; Strengthening financial regulation in industrialised countries;
- Strengthening macroeconomic policies and financial systems in emerging markets;
- Improving crisis prevention and management, and involving the private sector;
- Promoting social policies to protect the poor and most vulnerable.

The world's largest bank, Germany's Deutsche Bank AG, recently called for private sector players to be represented in the Financial Stability Forum, an informal body set up by monetary officials this year as an international crisis watchdog.

Bundesbank President Hans Tietmeyer, who was instrumental in setting up the forum, has said private-sector bodies have no place in the forum, although the German central banker has been at the forefront of calls for private-sector involvement in tackling crises.

Jubilee 2000 lists winners

16 nations to benefit from G7 debt relief

COLOGNE, June 19: Debt forgiveness campaign group Jubilee 2000 estimated yesterday that only 16 poor countries would benefit significantly from the debt relief deal approved by the group of Seven major industrial powers, says Reuters.

The coalition's British office estimated that Laos, Zambia and Rwanda would see their debt service payments fall by between half and two-thirds. Ethiopia, Mozambique, Malawi, Mauritania, Uganda and Guinea-Bissau's debt-service bill would be cut by between a third and a half.

Seven more countries would save between 20 per cent and 33 per cent — Bolivia, Burkina Faso, Guyana, Chad, Handuras, Mali and Ivory Coast.

But in Jubilee 2000's assessment, 11 of the countries targeted for help by the G7 would receive no significant reduction in their debt service payments — Togo, Senegal, Cameroon, Benin, Congo, Guinea, Madagascar, Nicaragua, Niger, Sierra Leone and Tanzania.

The group welcomed the G7 deal, which promises to reduce debt by \$70 billion, but noted that \$25 billion of this sum was included in the initial Highly Indebted Poor Countries (HIPC) launched in 1996. So only \$45 billion represents new relief.

Further, Jubilee 2000 said the HIPC 41 excluded other countries that urgently needed debt cancellation such as Haiti, Gambia, Nigeria and the Philippines.

Together it wants \$370 billion in debt owed by 52 countries to be forgiven by the end of 2000.



From top clockwise, German Chancellor Gerhard Schroeder, Japanese Prime Minister Keizo Obuchi, Italian Prime Minister Massimo D'Alema, President of the EU Commission Jacques Santer, Russian Prime Minister Sergei Stepashin, Canadian Prime Minister Jean Chretien, French President Jacques Chirac, US President Bill Clinton and British Prime Minister Tony Blair are seated at the conference table prior to the start of a working dinner at Cologne's Roman-Germanic Museum Friday. Heads of states and governments of the seven most industrialised nations and Russia (G8) are meeting for a three-day summit in Cologne. — AFP photo

'Tokyo bourse eyes tie-up with NYSE'

TOKYO, June 19: The Tokyo Stock Exchange is considering a tie-up with the New York Stock Exchange (NYSE) with officials from the two bourses scheduled to meet in New York next month, a report said Saturday, reports AFP.

NYSE Executive Vice President Georges Ugeux will meet Yoshiaki Kaneko, Executive Director of the Tokyo Stock Exchange, the Yomiuri Shimbun said.

The meeting will be the first of a series of talks after the New York and Tokyo Exchanges set up a working committee to explore ways for the tie-up, the daily said.



International Monetary Fund (IMF) First Deputy Managing Director Stanley Fischer (C) and IMF Asia Pacific Director Hubert Neiss (L) pose with Indonesian presidential hopeful Megawati Sukarnoputri ahead of a breakfast meeting in Jakarta Saturday. The top IMF officials began a series of meetings with Indonesia's opposition leaders, starting more than two hours of talk with Megawati. — AFP photo

Foreign portfolio investment up in Philippines

MANILA, June 19: Foreign portfolio investment in the Philippines jumped 40 per cent from January and June 4 from a year earlier to \$ 520.4 million, the Philippine central bank said Thursday, reports AP.

Much of the investment went into the stock market, as evidenced by the strong performance of Manila shares during the period. The chief stock market index rose 20 per cent between the start of the year and June 4.

The central bank said the strong comeback of most Asian stock markets reflects renewed investor confidence in the region as a result of generally favorable first quarter economic reports.

US hails Japanese economy

COLOGNE, June 19: The United States welcomes Japan's recent economic growth and hopes for progress on a trade dispute over steel, President Bill Clinton told the Japanese prime minister Friday, reports AP.

Clinton called Japan's economic performance in the first quarter of this year — an unexpectedly strong 1.9 per cent after more than a year of recession — "a tribute to the steadfast economic reform programme of the prime minister."

"The people of the United States, we're all pulling for him and hoping that this is a trend and we'll see more of it," Clinton said.

meeting with Obuchi. The Japanese leader, attending his first summit, sat silently at Clinton's right.

Clinton said he hoped to make progress on the United States' lingering dispute with Japan over the surge of its low-priced imports of hot-rolled steel into the United States.

In their talks, the two leaders expressed desire for the United States, Japan and South Korea to work together to halt North Korea's development of long-range missiles, a Japanese official said. They agreed on the importance of US-Chinese rela-

tions, with Obuchi calling them "extremely important to stability in Asia."

Clinton said that the United States is trying to improve relations with China, that he recognises their importance, and called the bombing of the embassy in Belgrade "a tragic mistake." Both leaders expressed support for bringing China into the World Trade Organisation, the world's main trade body.

The United States has been applying pressure to Japan for more than two years to move more aggressively to jump-start its economy, which has been in the doldrums for most of this decade.

BIWTC
Bangladesh Inland Water Transport Corporation
(An Inland Shipping Organization)
5, Dilkusha, Commercial Area, Dhaka-1000

দুর্ঘটনা মুক্ত নৌ-চলাচল ও নিরাপদ যাত্রীসেবা
প্রদান করতে বিআইডব্লিউটিসি অঙ্গীকারবদ্ধ

RE-TENDER NOTICE FOR SALE OF OLD AND UNECONOMIC VESSEL OF BIWTC

Sealed tenders are invited by Bangladesh Inland Water Transport Corporation (BIWTC), 5, Dilkusha, Commercial Area, Dhaka-1000 for sale of 16 (sixteen) nos. various types of vessels "As is where is basis."

The words "Sale of BIWTC's vessels on As is where is basis" must be mentioned on the sealed cover tender. Tenders in the name of Chief Marine Construction, BIWTC, 5, Dilkusha, Commercial Area, Dhaka-1000 must be dropped in the tender box kept in his office on 06/07/99 up to 12 Noon and will be opened the same day at 12:30 PM in the presence of the tenderers or his representatives (if any). Tender documents along with specification and terms and conditions of sale may be purchased from the Cash Section of the Accounts Department, BIWTC, 5, Dilkusha, Commercial Area, Dhaka-1000 (2nd floor) on cash payment of Tk 1000.00 (Taka one thousand only) (non-refundable) during office hours from 20/06/99. Earnest money at the rate of 10% (ten per cent) of the quoted price to be submitted along with the tender document.

BIWTC reserves the right to accept or reject any or all tenders without showing any reason.

BIWTC/PR/82/98-99
GD-550
Chief Marine Construction

BPMC Advertisement
International Tender Notice

Platinum Jubilee Jute Mills Ltd, Town Khalishpur, Khulna, Bangladesh invites sealed quotations from the genuine suppliers and their local agents for import of 373 M. Tons (10,000 maunds) Tamarind Seed (new crop). (Tender No PJJM/MP/98-99/01 dated 09-06-99) on FOB and C&F (C) Mongla Port/Benapole basis under Cash Foreign Exchange Allocation.

Tender to be dropped in the tender box kept for this purpose at (i) Planning Division of BJMC, Dhaka, (ii) BJMC Zonal Office, Khulna and (iii) Purchase Department of Platinum Jubilee Jute Mills Ltd, Town Khalishpur, Khulna within 12-00 Noon on 18-07-99 and will be opened at 12-30 PM on the same day in presence of tenderers, if any.

Tender documents with detailed specifications, terms and conditions will be available except on the date of opening from (a) The General Manager (A&F), BJMC, Adamjee Court, Motijheel, Dhaka, (b) The Manager (A&F), BJMC, Chittagong Zonal Office, Satter Chamber, 99, Agrabad, Chittagong, (c) The Manager (A&F), BJMC Zonal Office, Charerhat, Town Khalishpur, Khulna & (d) The Manager (A&F), Platinum Jubilee Jute Mills Ltd, Town Khalishpur, Khulna on any working day during office hours, against payment of Tk 760.00 per set (non-refundable).

Tender should accompany earnest money as mentioned in "P Form-2" of tender document by Demand Draft/Pay Order in favour of Platinum Jubilee Jute Mills Ltd, Town Khalishpur, Khulna, Bangladesh without which no tender will be accepted. Cheque & Bank Guarantee will not be acceptable.

The management reserves the right to accept or reject any tender without assigning any reason whatsoever.

BJMC: 349
DFP-13692-15/6
G-1168

US trade deficit narrows

WASHINGTON, June 19: The US trade deficit narrowed slightly in April to \$18.94 billion as US exports rose for the first time in months to help offset record imports into the robust US economy, the Commerce Department said yesterday, reports Reuters.

The April deficit was much lower than the \$19.8 billion record deficit Wall Street analysts had expected, but was the second highest deficit next to a record \$18.95 billion deficit set in March.

The March deficit was revised downward from a previous estimate of \$19.7 billion as part of an annual revision of the trade deficit data.

The department said the United States imported a record \$96.95 billion of goods and services in April, while it exported \$78.01 billion, up from \$77.05 billion in March.

It was the first increase in US exports since last October when financial crises in Asia and Russia spilled over to Latin America.

The US trade deficit with OPEC countries nearly tripled in April to \$1.81 billion the highest since October 1997 when the deficit was \$2 billion, the department said.

The increase reflected a rise in the volume of crude oil imports as well as a sharp jump in prices, the department said.

The United States imported more than 9.1 million barrels a day in April compared with 8.5 million barrels a day in March.

IBBL opens branch at Mirpur-1

Mirpur-1 branch of Islami Bank Bangladesh Limited (IBBL) was inaugurated at the 108th branch of the bank at 8, Dar-us-Salam Road, Mirpur in the city yesterday, says a press release.

Mohammad Yunus, Vice Chairman of the bank was present in the inaugural function as chief guest.

Presided over by A N M A Zaher, Director of the bank, the function was addressed, among others, by M Kamaluddin Chowdhury, Executive President, A T M Harun-ur-Rashid Chowdhury, Senior Vice President and in-charge, Dhaka Zonal Office of the bank and eminent businessman Khandaker Abdul Mannan.

M Tajul Islam, Executive Vice President of the bank, was also present.



Mohammad Yunus, Vice Chairman of Islami Bank Bangladesh Limited, inaugurates the Mirpur-1 branch of the bank at 8, Dar-us-Salam Road, Mirpur in the city yesterday. —IBBL photo

BCIC International Tender Notice

বিসিআইসি'র পণ্য শিফায়নে জাতীয় অধগতির প্রতীক

Sr General Manager (Purchase), BCIC, BCIC Bhaban (16th floor), 30-31, Dilkusha C/A, Dhaka invites sealed quotation under 2 (two) envelope system against Tender Enquiry No. Pur-3/1499/98-99 dated 10.6.1999 for (a) 48.00 M³ Secondary Reforming Catalyst (b) 123.00 M³ High Temperature Co-Shift Conversion Catalyst (HTS) C&F(C) Chittagong liner term basis under Cash Foreign Exchange. Offers shall be received up to 11:00 AM on 20.7.1999 and shall be opened immediately thereafter. Tender documents will be available on payment of Tk 750.00 per set (non-refundable) from (i) Controller of Accounts, BCIC, Dhaka (ii) Sr General Manager, BCIC Branch Office, 6, Agrabad C/A, Chittagong. Earnest money is 1% of the total quoted value. No tender documents will be sold on the date of opening and no late offer shall be accepted. Buyer reserves the right to accept or to reject any or all bids without assigning any reason thereof.

BCIC-555-14/6/99
DFP-13675-15/6
G-1165

A H M Shokrana
Manager (Purchase)
for Sr General Manager (Purchase).

Notice of Tender Military Engineer Services

1. Applications are invited by AHQ, QMG's Br, DW & CE (Army), Dhaka Cantt for issue of tender documents for the following works.

a. Constr of 8 x VIP room/guest room over existing 100 Officers Mess (Bldg No. 115) incl internal/external Svcs at Quadirabad Cantt.

2. Eligible contractors may apply for tender documents as per MES Regulations. Interested MES enlisted 'A', 'B', & 'C' class contractors may apply quoting their class, Index numbers, list of work done in last 05 (five) years. Contractors must have VAT registration. VAT and other taxes are payable as per rules. Applications should be submitted to this Directorate within 03 days from the date of publication of the advertisement mentioning name of works at the top of the envelope.

3. Authority reserves full power to accept/cancel any/all applications without assigning any reason.

ISPR/Army/99/441
DFP-13670-15/6
G-1164

DW & CE (Army)
Dhaka Cantt

BCIC International Re-Tender Notice

বিসিআইসি'র পণ্য শিফায়নে জাতীয় অধগতির প্রতীক

Managing Director, Khulna Newsprint Mills Ltd, Town Khalishpur, Khulna invites sealed quotation under 2 (two) envelope system against International Tender Enquiry No KNM/PD(F)-08A/99 for 1000 (one thousand) ADMT Bleached Chemi Thermo Mechanical Pulp on C&F(C) Mongla liner term basis under CASH FOREIGN EXCHANGE. The quotation will be received within 3:00 PM on 14-7-99 which shall be opened immediately thereafter. Tender documents shall be available on payment of Tk 1000.00 (one thousand) per set (non-refundable) from (1) KNM Ltd, Khulna (2) BCIC, 30-31, Dilkusha C/A, Dhaka & (3) BCIC Branch Office, 6, Agrabad C/A, Chittagong. Earnest money is Tk 1% of the total quoted C&F(C) Mongla value. No tender documents shall be sold on the date of opening. The authority reserves the right to accept or reject any or all bids without assigning any reason thereof.

BCIC-552-14/6/99
DFP-13678-15/6
G-1166

General Manager (Commercial)
For Managing Director

Megawati 'agrees with basic IMF strategy'

JAKARTA, June 19: Top IMF officials on Saturday began a series of meetings here with Indonesia's opposition leaders, starting with more than two hours of talks with presidential hopeful Megawati Sukarnoputri, says AFP.

The IMF's first deputy managing director Stanley Fischer and Asia Pacific Director Hubert Neiss, who Friday voiced the hope that they could work with the winners of Indonesia's June 7 elections, met Megawati at a South Jakarta hotel, an AFP reporter said.

Megawati, the popular leader of the Indonesian Democracy Party-Struggle (PDI-P), which has a commanding lead in the June 7 polls, was accompanied at the talks by her chief economic advisor Kwik Kian Gie.

Emerging from the meeting, Fischer told journalists they had discussed the country's economic situation "as the IMF sees it."

"We discussed possible economic scenarios in the future for Indonesia. The importance of maintenance of confidence," as well as Kwik's proposal for fixing the exchange rate of the Indonesian rupiah, he said.

Neiss said those present agreed that "under the present conditions, the present scenario of the floating rate works well."

"So there's no need for change now," Neiss said Megawati had "agreed with the basic (IMF) strategy and therefore I have no doubt she will continue" the reform programme.

"There is no need to change the current strategy," he said. "Of course details will always change. The programme is reviewed every two months and there will always be changes."