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The Daily Star BUSINESS

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Seminar on
Bangladesh in
S'pore July 14

An investment seminar on
Bangladesh will be held in Singa-
pore on July 14, says a press
release.

Nearly 200 Singaporean
firms have already registered
themselves to participate in the
seminar which will be inaugurated
by Commerce and Industries Minister Tofail Ahmed.

Organised jointly by
Metropolitan Chamber of
Commerce and Industry, Dhaka, Singapore Confederation of
Industries, Singapore Trade Development Board and
Bangladesh High Commission in
Singapore, the seminar will
focus on investment opportuni-
ties in Bangladesh.

The latest trend of flows of
foreign direct investment (FDI) into
Bangladesh has been quite
encouraging, it said.

Bangladesh now matches per
capita FDI in India, which was
the largest recipient of FDI in
the first half of the present
decade.

The per capita FDI inflow in
Bangladesh is now US\$3.2.

According to the World
Bank, FDI worth US\$700 million
to US\$800 million is ex-
pected annually during the next
5 years.

Singapore is one of the coun-
tries from where the flow of FDI
has been increasing steadily.

The MCCI delegation will accom-
pany the minister when he
calls on the Singaporean Minister
of Commerce and Industries on July 15 and hold meetings
with Singapore Confederation of
Industries and Singapore Trade Development Board, the release added.

Mad cow disease
EU recommends
lifting ban on
British beef

BRUSSELS, July 10: The European Commission proposed today a conditional lifting of the three-year ban on British beef exports from August 1, a spokesman said, reports AFP.

The ban was ordered in March 1996 after scientists reported possible links between bovine spongiform encephalopathy (BSE) — so-called mad cow disease — and a fatal brain condition in humans, Creutzfeldt-Jakob Disease (CJD).

The lifting of the ban will apply only to boned meat taken from animals aged six to 30 months whose origins can be traced. To take effect, the recommendations have to be approved by the EU's standing veterinary committee, which gathers top veterinary officials from the member states.

Anwar Jute Mills
starts commercial
operation by Aug

Star Business Report

Anwar Jute Spinning Mills Limited will go into commer-
cial production by next month.

The mills went into trial operation recently, says a press release.

Anwar Jute is a most modern plant with state-of-the-art machinery supplied by Mackie of England.

With a production capacity of 750 MT per month, it will be 100 per cent export-oriented plant and create a dent in the export earnings of the country.

The plant has facilities to supply yarn from 4 lbs to 24 lbs in mini to jumbo spool, coreless, spliced, scanned coloured bleached in single or ply form.

Being studded with the latest technology, this project will serve the export market with world class products for which there is a long-running void in the market.

Dioxin scare
Thailand lifts
ban on French,
Dutch food

BANGKOK, July 10: The Food and Drug Administration (FDA) of Thailand Friday conditionally lifted a ban on dairy, poultry, eggs and meat products from France and the Netherlands, but maintained curbs on Belgian products over fears about cancer-causing dioxin, reports Xinhua.

FDA chief Mongkol Songkhla said that only French and Dutch products with health certificates from the countries of origin assuring that they were dioxin-free would be allowed into the country, the National newspaper reported on Saturday.

The FDA took the decision after the French and Dutch governments "had shown food-safety monitoring and checking to the agency's satisfaction," Mongkol said.

Meanwhile, Belgian officials who met Public Health Minister Korn Dabarsani on Thursday failed to convince health authorities to cancel the ban on their products, the report said.

Mongkol said it was necessary for the FDA to maintain curbs on Belgian products, since there had not yet been adequate information from the Commission of the European Union on the "safety" of these products.

Mid-term review of uplift programmes, strategies Govt to sit with donor agencies in Sept

By Inam Ahmed

The government will sit with
donors in city next September
for a mid-term review of the
development programmes and
strategies, according to official
sources.

The consultation meeting
with local consultative groups
will take place as per an agree-
ment at the Aid Consortium
meeting in Paris in April.

The meeting will have dis-
cussions on high-priority issues
identified by the development
partners and the government
at the consortium meeting.

The last mid-term review,
held in November, 1997 against
the backdrop of fresh political

agitation, was marked by a note
of caution from the develop-
ment partners regarding the
existing political convulsions.

According to sources, the
major issues likely to be raised
at the September meeting are the
deteriorating law and order
situation, corruption in admin-
istration, reforming manage-
ment of the commercial banks
and progress in fighting de-
faulting borrowers.

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In the April Aid Club meet-
ing, the donors had stressed the
need for decentralisation of the
administration and good govern-
ance. They also called for
speeding up reforms.

It was also observed that a
well-functioning financial in-
termediary system was
needed for accelerating growth
and that the banking system
was plagued by corruption and
weak management.

Donors had called for
strengthening the regulatory
enforcement and supervisory
role of the central bank. They
also emphasised on making the
judicial and legal system effective
in deterring defaults, bet-
tering transparency and ensur-
ing disclosures and of standards
in banking practices to promote
market discipline.

It was also observed that
sluggishness in the realisation
of non-performing loans was
pitching the banks in a risky
position regarding their liquid-
ity situations, which the govern-
ment was asked to improve.

The government was also
asked to announce a SOE re-
form strategy, eliminate state
guarantees for SOE loans and
predetermine a privatisation
target.

They also called for trans-
parency in the government's de-
fence expenditures.

Delta Life earns
Tk 116cr in '98

Delta Life Insurance Co Ltd, a
leading life insurer in the
private sector, has registered an
increase of 31 per cent in pre-
mium income in 1998, says a
press release.

This was revealed in the
12th annual conference of the
company, held at the Engineers
Institution auditorium in city
recently.

The inaugural session of the
day-long conference was presided
over by Dr Syed Mukarram Ali, Chairman
of the board of directors. The ses-
sion was also addressed by
Company Director Nurul Islam,
Managing Director (CC) Das
Deba Prashad and M A Hye,
JSVP.

The conference was in-
formed that dispute last year's
devastating floods and other
impediments, the individual
life division of the company
earned over Tk 53 crore as new
and renewal premiums during
1998, an increase of about 9 per
cent over that of 1997.

The total premium income
of the company including Indi-
vidual Life, Gono Bima,
Grameen Bima, Group Bima
and Deltacare amounted to over
Tk 116 crore during the year, a
growth rate of 31 per cent over
that of the previous year. As per
provisional figures, the life
fund of the company rose to
over Tk 151 crore with an in-
crease of 71 per cent.

**Bankers' team
leaves for
HK today**

A team of twelve mid-level
executives from local commer-
cial banks leaves Dhaka today
to attend a 3-day Correspondent
Banking Workshop in Hong Kong, says a news release.

The workshop, sponsored by
the Institutional Banking Group
of Standard Chartered Bank, will focus on economic
environment, regulations,
business strategy, payment cap-
abilities, trade finance, docu-
ment presentation services,
electronic banking and treasury.

During the visit, the team
will also observe trade process-
ing, treasury dealing and institu-
tional banking business of
Standard Chartered in Hong Kong.

While addressing the team
prior to their departure, Mamun
Rashid, Acting Chief Executive
of Standard Chartered Bank, said: "We are
glad to offer this opportunity to
Bangladeshi bankers to visit
advanced operations of Standard
Chartered Bank in Hong Kong hoping that the experience
will be used for the development
of the local banking sector."

**Indonesia scraps two
ADB-funded projects**

BRUSSELS, July 10: Former
World Trade Organisation
(WTO) director-general Renato
Ruggiero said yesterday that a
proposal to end a deadlock over
his successor by allowing two
rivals to take turns in the job
could be a "good compromise".

Ruggiero, in a telephone inter-
view with the agency from
Italy, also praised incoming
European Commission President
Romano Prodi's choice of
France's Pascal Lamy as new
European trade commissioner.

The Geneva-based WTO has
lacked a director-general since
Ruggiero retired at the end of
his four-year term on April 30.

A deadlock over the global
trade body's leadership has
gone on for months with two
candidates — Mike Moore of
New Zealand and Supachai
Panitchpakdi — both enjoying
strong support among WTO
members.

A compromise proposed by
Bangladesh under which both
men would serve consecutive
terms, possibly of three years
each, has raised hopes that the
deadlock can be broken.

"At the moment ... I think
this could be a good compro-
mise," Ruggiero said.

"We need now to have a
leader," said Ruggiero, who is
now chairman of Italian energy
company ENI ENI MI.

A compromise was needed
because WTO members were
nearing the final stage of prepa-
rations for launching a new
round of global trade liberalisa-
tion talks, he said.

The round is expected to be
launched at a WTO ministerial
meeting in Seattle in November.

Ruggiero said his informa-
tion was that the idea of the two
rivals serving consecutive
terms was gaining ground.

Ruggiero praised Prodi's an-

ouncement on Friday that he
was proposing Lamy, once a top
aide to former European Com-
mission President Jacques Delors,
as European trade com-
missioner.

Ruggiero said he thought
Lamy, 52, was a very good
choice.

"He is a man who knows the
issues and he has shown a very
open mind in terms of free
trade," he said.

"Europe must be leading in
terms of free trade," he said.

Lamy's appointment raised
eyebrows in Brussels because
the trade commissioner's job
has traditionally gone to can-
didates from northern European
free-trading countries whereas
France takes a generally
cautious approach to trade
liberalisation.

"I think what is important is
what Lamy thinks and not what
the French think," Ruggiero
said.

had a modest 1.5 per cent recov-
ery on the Johannesburg bourse
on Thursday as London bullion
prices ended firmer at \$257.40
an ounce. But the key index
failed to recoup a loss of over
five per cent on Wednesday.

The bullion slump has ex-
acerbated the crisis in an industry
that has shrunk in recent years,
but remains South Africa's
biggest foreign exchange earner.
Thousands of jobs have been
lost in restructuring after
apartheid-era sanctions were
lifted in 1994 and the economy
faced global competition.

The crisis committee, set up
last year to find ways of saving
jobs, said six mines had applied
to fire over 11,000 mineworkers
since the UK announcement.

That does not include another
5,000 miners who face
unemployment at bankrupt
ERPM ERAJ. J, one of the country's
oldest mines. The government,
which owns 18 per cent of
ERPM, will meet liquidators on
Friday to help seek a buyer for
the mine and protect as many
jobs as possible.

Other gold companies say
they are strong enough to ride
out the storm.

S Africa to lobby Europe to halt central bank gold sales

JOHANNESBURG, July 10:
South Africa said yesterday a
high-profile delegation would
tour European capitals next
week to demand a moratorium
on central bank gold sales
which threaten economies and
thousands of jobs in Africa, re-
ports Reuters.

"We want a moratorium on
the selling. We would like to
present our views and give evi-
dence of the impact of the
sales," South African Minerals
and Energy Minister Phumzile
Mlambo-Ngcuka told reporters
after an emergency meeting of
the country's Gold Crisis Com-
mittee.

The meeting of government
ministers, gold industry chiefs
and union leaders was called
after the auction of 25 tonnes of
UK gold on Tuesday sent bullion
prices diving to fresh two-
decade lows and prompted
thousands of angry miners to
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Since the Bank of England
announced in May that it would
sell off 300 tonnes of reserves,
the gold price has dropped more
than \$30 an ounce, a loss of 10
per cent of its value.

South African gold shares

Bid to cut foreign debt

**Indonesia scraps two
ADB-funded projects**

JAKARTA, July 10: The In-

onesia government has can-
celled two projects funded by

the Asian Development Bank

this year in an effort to cut
down on foreign borrowing, an
official was quoted as saying by
press reports today, says AFP.

The cancelled projects were
one on the development of in-
dustry, technology and human
resources under the trade and
industry ministry, worth 50
million dollars, and another on
three ports on Sumatra and
Borneo islands, the value of
which was not disclosed, an offi-
cial of the National Develop-
ment Planning Board said.

"This spring cleaning will
reduce our exposure because our
foreign debt would be lower,"
Buddy Tjahjati, deputy chief of
the board's foreign cooperation
unit, was quoted by the Bisnis

funded projects worth one bil-
lion dollars.

Tjahjati also estimated the
aid pledge of the country's main
western donor group, the World
Bank-chaired Consultative
Group on Indonesia (CGI), at the
end of this month would stand
at at least 4.7 billion dollars.

CGI was formed in 1990 to
replace the Dutch-chaired Inter-
Governmental Group on Indonesia
(IGGI) which Jakarta disbanded
in retaliation for what Jakarta
saw then as The Hague's use of
pressure.

CGI groups all former mem-
bers of the IGGI, including the
World Bank and ADB, minus
the Netherlands.

It also includes five new
creditors — South Korea, the
Kuwait Fund for Arab Economic
Development, the Saudi Fund
for Development, the Nordic
Investment Bank and the
Islamic Development Bank.

The other IGGI creditor
countries were Australia, Austria,
Belgium, Canada, Denmark,
Finland, France, Britain, Germany,
Italy, Japan, New Zealand, Norway,
Spain, Sweden, Switzerland and
the United States.

**Number of poor
in Indonesia
doubles in
a year**

JAKARTA, July 10: The
number of poor in Indonesia
increased by 100 per cent to 49.5
million in 1998 from 22.6 mil-
lion in 1997, said an assistant to
the coordinating minister for
people's welfare and poverty
eradication A. Mongid, reports
Xinhua.

The number of poor de-
creased to 22.