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# The Daily Star BUSINESS

DHAKA, MONDAY, JULY 26, 1999

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## Mongla Union Co to start LPG production in Nov

BAGERHAT, July 25: Country's first private-sector plant is going to produce and market liquefied petroleum gas from next November to mitigate a severe crisis of the cooking fuel, says UNB.

Mongla Union LP Gas Company Ltd, and enterprise of the Basundhara Group, is building the LP Gas plant near Mongla Port on 10 acres on land.

Beginning last October, 75 per cent of construction works of the project have already completed at a cost of Tk 38 crore and the plant will be ready for operation in November.

The company executives said they had already begun making gas bottles at its own plant in Manikganj district.

Project Coordinator of the plant Mukit Khan told UNB that primarily the plant would be able to produce 8,000 bottles of LP gas a day.

"On completion of entire project, the plant will have the capacity to produce 24,000 bottles of LP gas per day in three shifts. We hope that it will be able to go into full operation within two months of trial production."

He also informed that the firm had already appointed 200 dealers in the country's southern region where natural gas network is yet to reach.

They will bottle LP gas from imported petroleum. Some 1.36 lakh metric tons of bottled LP gas will be produced yearly against the demand of 4 lakh metric tons in the southern region alone.

## Aptech's first half revenue up 26.62pc

APTECH India Limited, the global technology company, reported excellent results for the first half on 1999, says a press release.

The company's revenue has grown by 26.62 per cent, from Rs. 120.56 crore to Rs 152.66 crore. Profit before depreciation and tax (PBDT) has shown a steep increase of 50 per cent rising from Rs. 19.55 crore to Rs. 29.33 crore.

The company has provided a much higher depreciation of Rs. 6.80 crore as compared to Rs. 3.21 crore and tax provisions of Rs. 3.10 crore compared to Rs. 2.60 crore during the same period of the previous year.

Its after-tax profit has increased by 41.5 per cent to Rs 19.44 crore over the previous year. Earnings per share works out to Rs 31.08 (on enhanced equity capital) as compared to Rs 24.60 of the first half of the previous year.

Atul K Nishar, Chairman of APTECH Limited, said: "Software services and international training continue to be our focus areas, where we have made significant progress in the first half of the current year. We are working on a comprehensive strategy for the next three years and looking forward to global leadership in our chosen fields by 2002."

APTECH's training and education divisions have developed a complete plan for global leadership in computer education business and have identified partners and alliances for delivery of education through internet and strengthened relationships with technology majors and universities in various parts of the world. The business expansion strategy envisages 1,500 education centres in 40 countries by the year 2002.

## Modern technology in fish farming stressed

RAJSHAHI, July 25: State Minister for Women and Children Affairs Prof Zinatunnessa Talukder yesterday stressed the need for using modern technology in fish cultivation with a view to achieve self-sufficiency in fish production in the country, reports BSS.

She said this while formally opening the National Fisheries Week-99 at Zilla Parishad auditorium here with additional deputy commissioner, (general) Humayun Kabir, in the chair.

Rhondokar Shaheb Ali, Rajshahi Metropolitan Police Commissioner, Motaharul Haq, district fisheries officer and Rawshan Ali, fish cultivator, among others, spoke at the function.

A colourful rally participated by fishermen, BNCC cadets Ansars and officials and employees of fisheries department was brought out from Matsha Bhavan and dispersed at Zilla Parishad premises.

Rawshan Ali Bacchu, Rhondokar Taudidul Karim and Likat Ali were awarded prizes for their best performance in fish production in Rajshahi by the state minister on the occasion.

Prof Zinatunnessa said that mass awareness and motivational programmes were essential for boosting fish production. She hoped that jobless people would come forward to contribute in the development of socio-economic condition particularly in fish production. Later, the minister released fish fries at a pond at days.

# Japanese investors seek more EPZs for new ventures

Star Business Report

Japanese Ambassador in Bangladesh Yoshikazu Kaneko yesterday said investors from his country are willing to invest in Bangladesh, but they want more Export Processing Zones (EPZs) here to accommodate their new ventures.

Praising the role of the Bangladesh Export Processing Zone Authority (BEPZA), he said investors in many other countries have to obtain approvals from different ministries for setting up industries. But BEPZA is providing investors with the 'one-stop service', which has been acclaimed by foreign investors.

Kaneko was speaking at the monthly luncheon meeting of the Foreign Investors' Chamber of Commerce and Industry (FICCI) at a city hotel.

FICCI President AKM Shamsuddin presided over the meeting, while Vice-President Chan Kun Han and representatives from leading foreign companies in Bangladesh attended.

The ambassador said that the Japanese investors were pretty keen to invest here, particularly in small-scale industries, although infrastructural inadequacies pose some difficulties.

He mentioned that the EPZs were the best places for investors, but these did not have much space left for setting up new ventures.

Kaneko said lack of infrastructural facilities like power and telecommunications services in the EPZs should be removed and 'mutual trust' be created between Japanese investors and their counterparts in Bangladesh to attract more Japanese investment.

Kaneko, who has been stationed in Bangladesh for four years, is set leave the country in mid-September after finishing his assignment.

Commenting on the country's political situation, he said people's attitude is changing and they do not like harkals.

"The majority of the people are fed up with harkals. He mentioned that those who managed to keep up production at the EPZs during the harkals and non-cooperation movement of 1995 and 1996, were stuck up with their goods as they failed to export those."

"But I do not think that the same thing would repeat. If similar situations are created again, foreign investors will lose their interests here."

He said that it was very important to always keep the Chittagong Port operative.

Kaneko said Japanese investors have so far invested US \$900 million in Bangladesh.

He said that the agreement to promote and protect Japanese investment in Bangladesh, which was signed during the visit of Foreign Minister Abdus Samad Azad to Japan in 1998, will come into effect next month. "This will help increase Japanese investment here."

Commenting on KAFCO, he said it is not as bad an investment as many people may think. "KAFCO is viable and its future is bright."

Japan exported goods worth US \$351 million to Bangladesh during the last fiscal year and its imports from Bangladesh amounted to a record US \$124 million during the period.

Speaking at the function, CityBird gets first A300-600 freighter

Brussels-based CityBird received its first A300-600 freighter aircraft on Thursday from Airbus Industrie in Toulouse. This is the first of two all-cargo A300s to be delivered to the Belgian carrier, says a press release.

The A300-600 freighters are the first aircraft to be operated by CityBird's recently-founded cargo division. The two A300-600s are also the first aircraft from the European consortium ever delivered to the Belgian operator.

Airbus A300-600 freighter aircraft has a cargo capability of up to 15 eight-foot high pallets on the main deck, in a single-row arrangement, plus up to 23 LD3 standard containers in the lower holds.

The CityBird aircraft can handle 47.4 t of payload and will fly primarily on the carrier's network from Brussels to the Middle East and West Africa. The aircraft for CityBird are equipped with GE CF6-80C2A5 engines.

Airbus Industrie 1999 Global Market Forecast shows the need for 1,005 additional medium-size freighters, either new or converted from passenger aircraft, over the next 20 years.

Foreign analysts predict Thailand to produce a sharp return to growth this year

BANGKOK, July 25: Foreign analysts are forecasting Thailand will produce a sharp return to growth this year, in stark contrast to conservative official predictions of a restrained rebound, reports AFP.

As the Thai economy slowly pulls out of its worst-ever crisis, some securities experts predict a steep 'V shaped' recovery, despite the government's cautious gross domestic product growth target of around one per cent.

Thailand posted spectacular growth rates during its boom years of the late 1980s and early 1990s, which transformed the economy and earned the country the status of an Asian 'tiger cub'.

But a painful more than eight per cent estimated contraction in 1998 as the Asian crisis raged plunged the economy into deep gloom and thousands of businesses into debt.

Now, after seven consecutive quarters of decline, there are at least signs that the corner has been turned.

"National Economic and Social Development Board (NESDB) secretary-general Sansern Wongcha-um said last month that GDP grew 0.9 per cent in the first quarter of 1999 compared to the same period last year."

But ministers, desperate to avoid a false dawn of recovery, are sticking to an official forecast of around 1.0 per cent over the year even though the Bank of Thailand has hinted at a figure of 1.5 per cent.

Many analysts, however, are much more optimistic, predicting growth well in advance of the government's target, citing an end to an investment drought and a resurgence in the stock market.

In its latest quarterly report, sent to AFP, SG Asia Credit forecasts GDP of 'close to five per cent' — way above the official prediction of one per cent.

"Like the Mexico example, it is relatively easy once market panics have subsided to see strong activity but from a low base," it said.

The report says downside revisions of previous contraction estimates for the years before 1999 are still expected.

"Bearing in mind that absolute output will still be below pre-crisis levels, we see considerable upside bias from this effect," it said.

"Second it is clear that market panics have now come to an end: reserves higher than pre-crisis levels, interest rates structure has fallen sharply and the Baht is under appreciating pressure."

All this lays the foundation for growth to return 'at a rate of around 4.7 per cent, it said.

The report also sees growth in the manufacturing sector picking up, and good progress on bank restructuring and the bad debt problem.

The assessment came on the heels of several other assessments of the Thai economy from foreign analysts.

In one, Nomura International (Hong Kong) Ltd, said it expects economic growth of 2.5 per cent this year.

Nomura said Thailand's economy was experiencing a broad-based recovery thanks to economic reforms launched in the aftermath of the float of the Thai baht in July 1997 which triggered the regional turmoil.

The foundations of Thailand's previous economic 'miracle' remain intact and GDP (gross domestic product) is set to grow by 2.5 per cent in 1999," Nomura said in a statement received here.

"A broad market-based renovation of Thai society is creating the foundation for sustained growth," Nomura said.

Unofficial statistics say about 32,000 Bangladeshis now live in Italy, 20,000 of them are sneaking in through illegal conduit everyday without caring about their fate.

The youths aged between 25 and 30 undertook a hazardous journey from Dhaka to Rome through Moscow, Romania, Ukraine or Yugoslavia. An organised racket of human traffickers allure the jobless people into Italy in exchange for US dollar 4000 to 4,500 each. During this risky journey, many had to suffer police torture and jail.

"I can't tell you how I could enter this city (Rome). I don't know the names of places or the route I traveled through. What I can recall is that I was arrested thrice before I arrived in Italy," said middle-aged Malek of Shariatpur.

He came to Rome three months ago. He does not have sufficient money to "manage" legal papers from the Italian authorities. He sells view cards and flowers. Like Malek many Bangladeshis have had same bitter experiences landing in Rome.

The youths not yet having immigrant status are forced to do 'black jobs' which means cleaning windshield of cars at different traffic points in Rome. Other drudgeries exclusively done by Bangladeshis include selling flower, packets of garlic, tissue paper, lighter or ball pens.

Those who are lucky to get stay permits are mostly working in Italian restaurants, but their number is very few. Hafiz who has been living in Rome for last nine years and working in a restaurant said: "It's a shame that our people are to do such ignominious jobs."

A seizure of last gripped the minds of illegal immigrants lest the Italian police should deport them for their unauthorized stay. But the police report of Bangladeshi nationals is good compared with the people from other countries.

Talking to UNB, General Secretary of the Bangladesh Association in Italy Bachchu said there were 4,600 legal Bangladeshi immigrants in Italy in 1990. In 1994, the number of legal and illegal immigrants rose to 17,000, and of late it almost doubled with the announcement of giving immigrant status to illegal residents.

The Italian government last year decided to give immigrant status to 38,000 people from different countries of the world, but the applicants' number is much higher — maybe around 270,000. Forth-seekers not only from South Asia but also from East European countries applied for immigration visas.

Those who have entered Italy before March 27, 1998 are eligible to seek immigrant status. So far 5,000 Bangladeshis have submitted applications in Rome and other cities.

The Bangladeshis who are not eligible because of their late arrivals are trying to manage the 'sojourn' status by paying Tk 5-6 lakh to interested groups, like the Italian police,

Daewoo Group chief Kim Woo-choong pledges sweeping and transparent restructuring plans at the group's Seoul headquarters Sunday. The sombre news conference comes amid growing market jitters over Daewoo's liquidity crisis.

Kim stressed that, despite rumours, Daewoo is not burdened by excessive foreign debts.

## CityBird gets first A300-600 freighter

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ROK sinks huge funds into markets over Daewoo crisis

SEOUL, July 25: South Korea's government decided today to pump emergency funds into financial institutions to stop an escalation of the Daewoo Group's debt crisis, officials said today, reports AFP.

The injection of government funds was aimed at calming growing jitters in financial markets which were plunged into turmoil after Daewoo went cap-in-hand for a bailout from creditor banks to ride out a debt moratorium.

The government is determined to remove market uneasiness. If needed, public money will be used to maintain the soundness of financial institutions," Financial Supervisory Commission head Lee Hun-Jai said.

The government also decided to inject liquidity through the central bank whenever there are signs of market unrest, he said after talks with Finance Minister Kang Bong-Kyun and other top economic officials.

Lee said Daewoo and creditors were required to start talks immediately with foreign banks on the roll-over of Daewoo's overseas debt.

SB starts lending to software projects

Star Business Report

Sonali Bank has started disbursing loans for production of export-oriented computer software without any collateral security.

As a first case, the loan amounting to Tk 70 lakh has been sanctioned to M/s Computer Cottage Bangladesh Limited.

The loan was approved at the bank's 637th board meeting held in the city last Thursday, says a press release.

Meanwhile, Sonali Bank has completed experiments regarding technical aspects and marketing process so that young people can proceed to production of software.

Two senate members of Dhaka University and specialist in this sector, Dr. M Masur Ali, teacher of BUET and Dr. Muhammad Zafar Iqbal of Shahjalal Science and Technology University, Sylhet will give technical advice and assistance.

Primarily disbursement of loans upto one crore to the projects will be made without any security. Projects requiring loans for more than Tk 1 cr will have to give collateral security.

# Fresh directive for boosting drive Agri credit recovery at an unacceptable stage: BB

The Bangladesh Bank expressed dissatisfaction over the present levels of agricultural loan recovery and issued directives for accelerating the drive, says UNB.

"The overall recovery of agricultural credits is now at an unacceptable stage, it must be changed," the central bank said, offering some incentives for both the creditors and debtors.

To reverse the situation, the Bank asked the commercial and specialised banks to ask their branches to take all-out effort to recover the loans immediately after the start of harvesting season or when the farmers sell their paddy.

"To ensure the highest use of the funds for agricultural loans and to avert financial loss due to credit classification, the banks must strengthen the loan recovery programme," the central bank said.

Besides, to create enthusiasm among the officers and the employees for going tough in netting back the bank money, the banks through under their own rules and regulations could introduce some sort of reward or cash incentives, the central bank opined.

To encourage timely repayment of loans, the Bangladesh Bank asked the banks to give 2 per cent rebate to the clients for timely payback.

The branches should timely inform the clients about the incentive for regular repayments so that they could take the opportunity," said the BB.

It also asked the banks to send annual reports to the central bank on the rebate extended to the farmers.

The total outstanding agricultural loans of the commercial and specialised banks stood at Tk 9,955.61 crore in April, almost double the amount of Tk 5703.45 crore in 1990-91 fiscal year.

However, the loan disbursement has also been increasing every year. Till May '99, the commercial and specialised banks had disbursed Tk 2600 crore in firm credits, including cooperative loans, against an allocation of Tk 3270 crore.

The banks disbursed Tk 595.60 crore, Tk 794.59 crore, Tk 841.85 crore, Tk 1100.79 crore, Tk 1605.00 crore and Tk 1636.00 crore, Tk 1672.00 crore and Tk 1815.00 crore annually from 1990-91 to 1997-98 fiscal year respectively.

They realised Tk 1185.76 crore till April last fiscal year. The recovery figures had been Tk 625.32 crore, Tk 662.11 crore, Tk 869.23 crore, Tk 979.12 crore, Tk 1124.11 crore, Tk 1340.00 crore, Tk 1646.00 crore and Tk 1779.00 crore since 1990-91 till 1997-98.

BEIJING, July 25: First-hand information from farms nationwide is convincing statisticians at the State Statistical Bureau (SSB) that it is unlikely the approaching autumn harvest will be bigger than last year's, says Xinhua.

Sources said that the reason was not clear why the government had not yet released accurate statistics about the grain yields in 1998, but the yields could hit an unprecedented high of over 500 million tons despite a drop of 4.45 million tons in the summer harvests and the severe flooding disaster in autumn last year.

"This year it is very difficult for the grain yields to surpass last year's level. Grain cultivation has shrunk by 780,000 hectares nationwide in 1999, Xian Zude, deputy director-general of the SSB's Rural Survey Organisation, was quoted by today's China Daily as saying.

The current oversupply of spring wheat in the north, wheat growth south of the Yangtze River, and low-grade early rice in particular, has dampened farmers' enthusiasm to produce more.

They are also disheartened by the fact that the State purchase prices for such cereals for the first time fell below the average price offered for this summer's grain.

The price of crops are also dropping on the domestic market after several consecutive years of bumper harvests, Xian said.

'Australia doesn't support IMF gold sales'

SYDNEY, July 25: The Australian government does not support the sale of International Monetary Fund gold reserves to fund debt reduction in poor countries, Treasurer Peter Costello said today, reports AFP.

"Australia supports debt reduction for poor countries... but we think that governments should fund that," he said in a television interview.

The IMF is considering selling 10 million ounces of its 103 million ounces of gold reserves to provide debt relief to developing countries.

But its consideration of the plan supported by Britain, France and the United States, and gold sales by central banks including the Bank of England have driven the price of gold down in recent weeks, hurting Australian gold producers.

Costello argued the IMF's gold reserves were not collected for the purpose of funding debt and such funding should be made in a "more transparent way rather than using assets of past years."

As a result, it was learnt, documents or passports issued by the Bangladesh mission lost credibility to Italian police. Many Bangladeshis are not happy over the dealings of some officials at the embassy.

Talking to UNB, the Bangladesh Ambassador to Italy, Zamiruddin, admitted some of these allegations. But "we have removed corruption" from the mission. He admitted some irregularities of the past and said: "We have stopped issuing driving licenses because 99 per cent of license-holders do not know how to drive."

Extra care is also being taken in issuing passports, the Ambassador said, adding Bangladesh's image has been enhanced manifold.

## Chinese banks forced to go marketing

BEIJING, July 25: Growing competition is obliging Chinese banks to pay more attention to marketing, says Xinhua.

TV commercials, newspaper advertisements and street promotion activities, which were only used by manufacture firms, have adopted by Chinese banks.

Autumn harvest in China may fall

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# Bangladeshi youths struggling for livelihood in Italy

ROME, July 25: Despair, fear and anger always haunt thousands of Bangladeshi youths struggling for a livelihood in Italy, with little help from their mission in Rome, reports UNB.

With sad but resolute faces, they are roaming around the ancient city of Rome for survival. Many can't stare into each other's face as they are to do black jobs, forgetting their antecedents.

A number of them narrated their predicament to visiting UNB Chief of Correspondents Shamim Ahmad. But despite all pains and pangs in an outlandish clime with unfamiliar language and culture, the youths won't go back, they appear steadfast trying on their luck at the centre of earth's one of the biggest civilisations.

Unofficial statistics say about 32,000 Bangladeshis now live in Italy, 20,000 of them are sneaking in through illegal conduit everyday without caring about their fate.

The youths aged between 25 and 30 undertook a hazardous journey from Dhaka to Rome through Moscow, Romania, Ukraine or Yugoslavia. An organised racket of human traffickers allure the jobless people into Italy in exchange for US dollar 4000 to 4,500 each. During this risky journey, many had to suffer police torture and jail.

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