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IBBL internship programme for DU students launched

The inauguration of the Internship Programme for the students of M. Com (Final), Department of Management, Dhaka University, was held on Wednesday at the auditorium of Islamic Bank Training and Research Academy (IBTRA), says a press release.

Mohammad Younus, Chairman of the Executive Committee of the bank was present at the function as the chief guest.

Another inaugural function of two training courses — Foundation Course for Probationary Officers and Foundation Course for Asstt Officers — was held on the same day. Nur Mohammad Akon, alternate Director of the bank, was present as the chief guest.

Earlier, the closing ceremony of a training course on 'Banking Laws and Practices' was held recently at the auditorium of IBTRA. Md Velayet Hossain, the bank's Executive Vice-President, was the chief guest at the ceremony.

Saudi crackdown on illegal immigrants cuts crime

RIYADH, Sept 4: Saudi Arabia's crime rate has fallen 7.9 per cent since the expulsion of 1.1 million illegal foreigners, a newspaper reported today, says Reuters.

Saudi Arabia launched a crackdown on illegal foreign workers in 1997 as part of the government's drive to rid the kingdom of foreigners violating residency rules.

The English-language daily Arab News quoted a report by the passport department as saying crime had fallen 29.5 per cent in Jizan, 26 per cent in Mecca and 16.5 per cent in Asir since the campaign against illegal immigrants.

The report said the regularisation of resident permits of some 800,000 expatriates had also contributed to the drop in crime figures.

Foreigners, mostly from the Indian subcontinent, southeast Asia and poor Arab states, make up about one-third of the 18 million population of the oil-rich kingdom.

More bank scams lurking in Indonesia: WB

SINGAPORE, Sept 4: The World Bank said that other cases similar to the PT Bank Bali Tbk BNLIJK scandal were likely to surface in Indonesia, reports Reuters.

"The amount of corruption in Indonesia is enormous, there is complete consensus on that issue and the logical consequence is that we will have other difficult cases," the World Bank's vice president for East Asia and Pacific Jean-Michel Severino said on Tuesday in comments embargoed for release today.

"I have no clue what they are going to be but I know they are going to be difficult cases," he added.

"This is why the Bank Bali issue is a very important precedent setting problem," he told reporters ahead of the launch of the institution's liaison office in Singapore.

The scandal has hurt financial markets and may dash President B J Habibie's chances at the presidential polls in November.

Survey finds fault with IMF forecasts

WASHINGTON, Sept 4: The IMF is consistently over-optimistic about economic prospects in its borrowing countries, and the bigger the loan, the worse the forecast, a Washington think-tank said in a recent report, says Reuters.

A survey from the conservative Heritage Foundation, published late last month, said IMF forecasts were better for rich, industrialised economies than for poor, developing ones and better for growth than for inflation.

"As IMF funding increases so does the forecast," said the report, which examined data from the International Monetary Fund's flagship World Economic Outlook (WEO) over a 21-year period.

The significant relationship between IMF funding and the forecast error implies that bias in the forecast depends on whether the country receives IMF funding.

The IMF said it could not comment until it saw the report.

The IMF puts out its World Economic Outlook twice a year, detailing prospects for growth, inflation and the current account for a wide range of developing and emerging market economies.

Microcredit now covers 12m poor worldwide

NEW YORK, Sept 4: The microcredit programme, championed by Bangladesh, now covers 12 million poor men and women worldwide, a function marking the fourth anniversary of UN conference on women in Beijing was told, reports BBS.

Bangladesh Ambassador to the United Nations, Anwarul Karim Chowdhury, who attended a campaign for microcredit at the UN plaza to mark the anniversary on Friday was told that over the last two years the microcredit programme jumped by more than 1.1 million.

This increase represents "positive step" for the implementation of the Beijing Platform for Action for Empower-

ment of Women, the organisers said.

Chowdhury at a press conference of the campaign said many of the UN programmes relating to poverty eradication have since been focusing more on microcredit as an important tool for poverty eradication as well as social empowerment.

He informed that Bangladesh is taking initiatives at various UN forums in support of microcredit programme and had piloted a UN decision declaring 2005 as the International Year of Microcredit.

Ambassador Chowdhury is the coordinator of the 'Friends of Microcredit at the United Nations', a group comprising over 50 ambassadors from all

over the world.

Highlighting the activities of the group, Chowdhury said that at the initiative of Bangladesh the group pioneered the first-ever comprehensive resolution on the role of microcredit in the eradication of poverty at the UNGA in December 1997.

Others who addressed the press conferences included Noeleen Heyzer, Director of UN Fund for Development of Women (UNIFEM), and San Daley-Harris, Director of the campaign.

UNIFEM Director Heyzer highlighted the important role of microcredit in realising the objectives of the Beijing Conference and to effectively face the growing challenge of feminization of poverty.

Tack Training Int'l launched in city

Call for skilled executives to face global challenge

Star Business Report

British High Commissioner David C Walker yesterday stressed the need for a dynamic, efficient and productive private sector so that it could compete globally.

"Private sector as the engine of growth in the country will face the challenge of competition not only locally, but also from global companies," he added.

Stressing the need for developing competent executives to brave the global competition challenge, he said human resource development plays a vital role in the success of an enterprise, which also contributes to the national economy.

Walker was speaking as the chief guest at the launching ceremony of Tack Training Inter-

national (TTI), a British company which imparts professional training to every sector of trade and commerce, at the city's Sheraton Hotel.

The high commissioner observed that both the private and public sectors can play a significant role in eliminating poverty in the country.

If private sector improves, it will help improve public sector as well, he said.

Jeremy Lewis, Director of Tack Training Worldwide (TTW) and Paul Numan, Director Marketing of TTW attended the function chaired by SAM Showket Hossain, Managing Director of Tack Training International, Bangladesh (TTIB).

Speaking at the function as special guest, Jeremy Lewis said Tack, which was set up 50 years

ago, is a global company operating 50 offices in 45 countries.

If a company does not have training manager or human resource development manager, Tack will supply that resource to the company.

"Tack can help a company achieve its business goals. We can motivate and maximise the potential of a team."

Paul Numan said in the new millennium consumers will have a vast choice both within and outside the country. So, the companies need competency in every sector of trade and commerce.

Tack MD Showket Hossain said that the desire to offer world class training to employees of local enterprises led him to set up the new venture.



A trader at city's Sadarghat on Saturday is seen checking his crabs, which he bought at an average rate of Tk 6 to Tk 10 per piece from the market in Patuakhali. Farmers in Patuakhali catch crabs with the help of a special kind of hook. These crabs - one of the exporting items to the Southeast Asian countries like Singapore and Thailand - fetch traders Tk 100-200 a kg in Dhaka. — Star photo.

Manila, Taipei agree to form jt investment committee

MANILA, Sept 4: The Philippines is hoping to attract more investment from Taiwan after the two countries agreed to set up a joint investment committee, Philippine Trade and Investments Secretary Jose Pardo said Saturday, reports AFP.

Pardo, who led a business delegation to Taiwan from Wednesday to Friday, said both sides agreed to create the committee to look at business opportunities in the Philippines, particularly in the northern regions closest to Taiwan.

Pardo said the area was especially suitable for agricultural plantations, food processing and electronics plant.

He said the Philippines would have a "very targeted, right approach" which would include identifying specific Taiwanese companies "that can move here."

He cited the Philippines' lower labour costs compared to Taiwan as one of the main attractions.

Pardo said the government would set up teams "that will help shepherd" investors and provide "after-service" once they relocate here.

His trip was the first high-level visit to Taiwan by a Philippine official since Philippine President Joseph Estrada took power last year.

Speaking in a radio interview, Pardo said that although the Philippines was the closest Southeast Asian country to Taiwan, it had received the least investment, amounting to about two per cent of Taiwan's foreign investment from 1987 to 1999.

Taiwan to further liberalise energy sector

TAIPEI, Sept 4: Taiwan's Ministry of Economic Affairs plans to further liberalise the energy industry in measures aimed at ensuring a stable supply of electricity, an officials said today, reports AFP.

"The ministry has been studying the feasibility of opening the industry regarding power generation and distribution," said Hsu Ku, a section chief of the state-run Taiwan Power Co.

"The final decision will be made Monday," he said the new policy, which would need parliament's final approval, would remove the current cap on private generator capacity and allow firms to transmit electricity directly to users or through other private distributors. The move is expected to help ease Taiwan's electricity shortage," Hsu said.

Taipei's peakload consumption hit 25.13 million kilowatts in July, compared with a capacity of 27.94 million kilowatts. Under the plan, different companies would be allowed to compete and offer varying prices to the consumer, according to the Commercial Times. Prices are currently fixed by Taipei.

The ministry has licensed six private power companies since June 1995 for a combined capacity of 6.25 million kilowatts, but required them to sell electricity back to Taipei. Only one private power firm has come on line.

KL to reinstate allowances for civil servants

KUALA LUMPUR, Sept 4: Malaysia is to reinstate entertainment and civil service allowances benefiting about 100,000 people as the economy rebounds from recession, a report said today, reports AFP.

The allowances were cut in January last year to reduce government spending when the country plunged into its first recession in 13 years, the New Straits Times said.

The reinstatement will cost the government several million ringgit (dollars) more a month in additional expenditure, a government official was cited as saying.

"The senior civil servants and police officers will be given their civil service allowance in full from August," the official said, adding that entertainment allowances would be handed out soon.

The move reflected signs of a strengthening economy and seen as part of efforts to boost domestic spending, observers said.

The government earlier this week said it would hire 5,000 new police staff, ending a recruitment freeze for all government positions imposed during the economic slump, the newspaper added.

The central bank last month declared that Malaysia was out of recession after the economy emerged from five running quarters of contraction to grow 4.1 per cent in the three months to June.

After a 7.5 per cent economic slump in 1998, capital controls imposed last September provided stability and led the government to hope for a mild rebound this year and a 5.0 per cent growth in 2000.



A farmer throws apples at a McDonald's fast-food restaurant in Marseille Saturday in retaliation for US agriculture sanctions on Europe. The European Union argues that the ban on American hormone-treated beef is necessary because preliminary research shows the hormones are potentially cancer causing. —AFP photo

Project chief quits over govt disinterest

Calcutta flyover project runs into fresh trouble

CALCUTTA, Sep 4: Efforts by West Bengal's Communist government to overhaul the city's primitive infrastructure have received a jolt with a key official in charge of a Japanese-aided flyover project resigning after alleging government "disinterest and insincerity."

The resignation of Amal Chandra Sarkhel, the project's chief technical adviser, has plunged the Rs. 4 billion venture into fresh controversy.

The construction of six flyovers under the project had earlier been dogged by controversy over the allotment of a building contract to a party allegedly at the behest of Chief Minister Jyoti Basu.

Sarkhel, who retired as vice-chairman of the Hooghly River Bridge Commissioners (HRBC) some years ago, was drawn out of his retirement by the government for the flyovers project.

Sources said the retired technocrat was considered suited for the job because of his past success with the grand Hooghly Bridge over the Ganges. But Sarkhel said, "I was supposed to have played an advisory role in technical matters

and decide on allotment of tenders for the construction of the six flyovers. Unfortunately, the government in the past few months chose to ignore me in taking decisions regarding matters under my supervision. I have resigned to save my self-respect."

Sarkhel was drawing a token one rupee honourarium.

Much significance is being attached to Sarkhel's resignation and the start of work on the first flyover, the tender of which was given to Senbo Engineering Limited allegedly at the recommendation of Basu. The "controversial" tender worth Rs. 630 million was even challenged in court, but was dismissed in favour of Senbo.

According to Sarkhel, the government had chosen to ignore him for some vital meetings on the project during the past few weeks. "These meetings were important for the project and I was not called to attend them despite being the chief technical adviser," he said, adding that it showed the government's insincerity.

He said he had brought the matter to the notice of the past and present department secretaries and even Transport Min-

ister Subhash Chakraborty, but to no avail. "Now I have been forced to resign because I cannot take responsibility for a project about which I am being kept in the dark," Sarkhel said.

Sarkhel is responsible for the infrastructure, draft, alignment and other related fields of the flyover project to be jointly funded by the state government and two Japanese firms.

The state government is yet to reply to Sarkhel's allegations or accept his resignation. Official sources disclosed that the resignation was the fallout of differences he had with a top department officer over the matter of awarding of contracts for the projects. Sarkhel himself has, however, not made any accusations of irregularity in awarding of tenders.

It is feared that work on the first flyover at a busy south Calcutta traffic junction would be delayed in view of the development which has put the government in an uncomfortable position. The six flyovers are seen as important to the development of the state's infrastructure facilities.

— India Abroad News Service

JAL plans joint venture with rival

TOKYO, Sept 4: Japan Airlines Co. the nation's premier carrier, has mapped out a plan to jointly run international flights with a rival airline, news reports said, reports AP.

The alliance between JAL and Japan Air System Co, scheduled to start in October, marks the first time the two have teamed up in international operations, the national Yomiuri newspaper said, quoting unidentified airline officials.

Officials from the two airlines were unavailable Sunday to confirm the reports.

Rising competition from budget carriers in recent years has reduced profits at Japan's big airlines, sending them scrambling to cut costs and come up with low-priced deals to attract passengers.

In the JAL-JAS tie-up, JAL will provide aircraft and JAS will allocate three of its arrival and departure slots at Tokyo's Narita airport for the joint flights, the report said.

The flights will be bound for either the United States or South Korea, with the destination to be decided later, it said.

Indian shares may stay cautious next week

BOMBAY, Sept 4: Indian shares are likely to move in a cautious, narrow range next week as general elections get under way, brokers said Saturday, reports AFP.

The Bombay Stock Exchange (BSE) sensitive index tracking 30 shares was down 160.73 points, or 3.3 per cent, to close the week's trade Friday at 4,709.93 points, over the previous week.

The broad-based national index, tracking 100 shares, was down 81.64 points, or 3.7 per cent, to close the week Friday at 2,102.24 points, over the previous week's close.

India begins the first phase of elections on Sunday. Broker Gaurav Sanghvi said political uncertainties would begin to overshadow the market until a new government is formed in October.

"At the moment the market is certain the BJP-led coalition will be voted back to power with Prime Minister Atal Behari Vajpayee in charge," he said.

Brokers said market sentiment would remain bullish although cautious.

"The undertone is likely to be bullish as the economy is seen reviving after almost three years of slowdown. But the market is not expected to swing dramatically. Basically, next week should see stabilisation around current levels," said broker Atul Tolia.

Tolia said shares were expected to move up cautiously next week. "At every rise, we expect correction."

Brokers said current market favourite stocks and sectors such as steel, computer software, pharmaceuticals, cement, consumer products and engineering would continue to be in the limelight.

During the week's trade, Associated Cement Cos was down 24.40 rupees to 232.60 rupees. Glaxo gained 21 rupees at 706 rupees while Reliance Industries was down 1.75 rupees to 182.50 rupees.

The state-run State Bank of India was down 12.80 rupees to 223.20 rupees. Tata Engineering lost 14.50 rupees at 296 rupees while Tata Steel declined 11.90 rupees to 156.40 rupees.

NatWest eyes major financial league with insurance move

LONDON, Sept 4: NatWest Bank unveiled plans Friday to create one of Britain's largest financial groups, confirming that it was negotiating the takeover of Legal and General, a leading life assurance company, reports AFP.

The two companies said in a statement that they were "in discussions which may or may not lead to a recommended offer being made by NatWest for Legal and General."

The talks are widely expected to result next week in NatWest launching a friendly bid of 205-210 pence for every Legal and General share, valuing the insurer at up to 10.75 billion pounds (16.1 billion euros, 17.2 billion dollars), sources close to the negotiations said.

The deal is to be financed mostly in cash but also in shares, the sources said, and will give birth to Britain's third largest financial group behind HSBC and Lloyds TSB, with a market capitalisation of some 30 billion pounds.

The confirmation further boosted Legal and General's share price, which gained another 10 pence in Friday trading to stand at 202.25 pence. On Thursday, stock in the insurance group soared 17.5 pence to 192.25 pence.

NatWest's share price meanwhile fell on the news, dipping 52 pence to 1.159 pence.

The tie-up would see Legal and General pensions, policies and bonds sold in NatWest branches across Britain, giving the insurance company more outlets for its products and enabling NatWest to boost significantly its assets under management to some 140 billion pounds.

Analysts said the move made sense and would accelerate the pace of consolidation in Britain's financial sector. They noted in particular the metamorphosis of British banks into giants with diversified interests spread from traditional banking to insurance and asset management, known as bancassurance.

The consolidation has been encouraged by proposed pension reforms in Britain which would open up more potential business for insurers providing cheaper products.

Bancassurance is already further advanced in Europe, and Lloyds TSB set the tone in Britain in June when it snapped up insurer Scottish Widows in June for some seven million pounds.

"The bancassurance trend is intensifying," said Thomas Rayner, a banking analyst with SG Securities. "What banks are really after is access to a growth industry. And once you have a very expensive computer network in place to manage money, the marginal costs are

very low for additional funds. "For life companies, their distribution is enhanced and they get more capital strength," Rayner said.

Analysts said the price tag looked steep enough to scare off would-be counterbidders such as Britain's Barclays or Aegon of the Netherlands, but was not so high as to jeopardise the economic logic of the deal.

"On the first take, it does look expensive compared to other recent takeovers in the sector -- and the bears are choosing to focus on that," one sector watcher said in explanation of the fall in NatWest's share price.

Analysts felt nonetheless that NatWest had picked an attractive partner to help to build up its pensions and life business and leapfrog back into the British financial sector major league.

"This has to be seen as the right move for NatWest," said another analyst. "It enables them to click into a very low cost efficient pensions and life products provider and, at the same time, significantly improve the bank's quality of earnings."

The Fitch IBCA ratings agency for its part said the acquisition made "sound strategic sense" but put the bank on its rating alert list pending details of the transaction.