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Probe launched into Shomorita Hospital share trading

Star Business Report

The capital market watchdog yesterday has formed a two-member inquiry committee to launch probe into the 'unusual activities' regarding trading of Shomorita Hospital Ltd shares by Shah Mohammad Sagor, a Dhaka Stock Exchange (DSE) member.

The committee has also been assigned to investigate the alleged bouncing of cheques issued by the member, which ultimately resulted in trade settlement failure.

The committee has been directed to submit their report within a month.

A press release issued by the Securities and Exchange Commission (SEC) said that it had formed the committee to protect public interest.

The commission is of the opinion that it is necessary in the public interest to launch an enquiry into the transactions in the securities of Shomorita Hospital Ltd by the said Shah Mohammad Sagor & Co during the April 17 to April 22, 1999 period," the release said.

Nestle chairman pays visit to Bangladesh

Helmut O Maucher, Chairman of Nestle SA, Switzerland and former President of the International Chamber of Commerce (ICC), arrived in the city on Wednesday on a short visit to Bangladesh, says a press release.

Maucher began the day with a brief update on the Nestle business in the South Asia region, and especially Bangladesh with Carlo Donati, Head of Nestle-South Asia, and Aldo Siegrist, Managing Director of Nestle Bangladesh.

He met the key managers of Nestle Bangladesh and took considerable time to answer questions relating to the global strategies and business prospects of Nestle as a whole. He also shares his thoughts and vision for the future of Nestle in this part of the world.

Stressing the determination of Nestle to continue every efforts for long term growth and prosperity in Bangladesh, Maucher expressed his total conviction of the enormous opportunities that this country presents.

He especially reminded those present of the entrepreneurial and pioneering spirit of Nestle from the very beginning, and its special concern for the nutritional needs of human being at every stage of their life.

He urged managers to use their creativity and initiative to identify the special needs of the people of this region of the world and to then find ways to best meet them.

Later Maucher met with other members of staff at a reception hosted in his honour.

Maucher spent the afternoon with the leaders of the International Chamber of Commerce (ICC) Bangladesh. He left the city yesterday evening.

Nestle Bangladesh Limited is a fully owned subsidiary of Nestle SA Switzerland, the company's largest food company. Since 1992 Nestle has invested Tk 110 crore in the business in Bangladesh.

Touch of humour in Emirates cargo ads

Emirates has introduced humour into its advertising campaign for cargo services, which breaks in the press worldwide in September, says a press release.

The new corporate advertising highlights Emirates SkyCargo as a provider of innovative services tailored to meet the customer's requirements. This message is delivered with a liberal sprinkling of humour.

Mike Simon, Emirates' Head of Corporate Communication, explains: "Cargo advertising is probably among the most difficult of press advertising to crack."

Emirates has been in the forefront of new and innovative thinking in the freight industry and our press advertising has reflected this, but, in order to stand out from the crowd in the trade press, we have turned to humour for the first time.

This series of ads has been produced by Dubai-based agency Osterads, and highlights a number of the brand's Unique Selling Points that Emirates SkyCargo can claim. We have used T-shirts, fortune cookies and Post-it notes as visuals to hammer home the message. We believe the humorous touch makes these advertisements memorable and also underline the personal service which Emirates SkyCargo brings to freight handling.

The airline's tactical campaign is built around the theme "We've got it covered". The message here is that, whatever your problem, Emirates SkyCargo has a solution.

It is delivered in a series of ads that show objects literally wrapped up for example, the Eiffel Tower in Paris to illustrate Emirates SkyCargo's ability to deliver anywhere in France.

Two-week BCS extravaganza to mark opening

Computer City comes into being tomorrow

By M Shamsur Rahman and Monjur Mahmud

Tomorrow's launching of the country's first-ever permanent computer city at capital's IDB Bhaban will be marked by a 15-day gala computer exposition.

"The inauguration of the BCS Computer City will be celebrated by a two-week BCS Computer Show '99," said Aftab Ullah, President of Bangladesh Computer Society (BCS).

This is for the very first time in the country that the private sector operators under the leadership of BCS have come forward in a body to boost the development of the thrust sector by offering one-stop marketing, sales, software development, IT training, Internet service, e-commerce and high-speed data transmission facilities under a single roof, he added.

He said that the Computer City would bring dynamism and novelties in the marketing and service delivery mechanisms of the computer and IT products.

"The initiative will benefit everyone involved in the field

of software and IT side by side coming to the immense use of customers and end-users of technologies," Aftab said.

"Besides, this biggest extravaganza will also help boost IT awareness and user-base in the country, which is so vital for the development of skilled manpower required for the progress of software industry."

The BCS Computer City will have four conference centres with public addressing (PA) systems, permanent exhibition facilities for new product launching, separate sites for IT education and Internet Service Providers (ISPs).

Besides, an exclusive site for software development and high-speed data transmission facilities, aimed at promoting software exports from Bangladesh, will feature in the Computer City. Until the Software Technology Park (STP) comes into being under the public sector, this will provide temporary solutions as far as the problems in electronic

transfer of data is concerned, Aftab said.

Provisions have also been made for around 130 computer hardware and accessories showrooms for marketing and sales of IT hardware and solutions.

Besides the permanent shops at the Computer City, the country's leading software firms, hardware vendors, educational institutions and Internet Service Providers (ISPs) will participate in the 15-day Information Technology (IT) show.

Inspired by the success of the Computer Show at IDB Bhaban last year, BCS actively pursued the setting up of a permanent venue for the IT-related businesses.

BCS organised its annual exhibition at the same place last year where computers and accessories worth Tk 21 crore were sold. Some 350,000 people visited the fair.

The organisers this time are anticipating a turnout of around 500,000 visitors from

all over the country.

"We are expecting more sales and higher turnover as the duration of the show this year is 15 days," said Ahmed Hasan, BCS General Secretary.

The information age has opened up the window of opportunities for many countries, including the developing ones like Bangladesh. There are tremendous opportunities for us provided we can quickly mobilise needed resources and acquire necessary skills, Aftab said.

The slogan of this year's exhibition is "Computer For All." The exhibition will continue till September 25 and the price of the ticket to the fair has been fixed at Tk 10.

Finance Minister Shah AMS Kibria will attend the opening function as the chief guest while Lt. Gen. (Retd) Nooruddin Khan MP and Professor Jamilur Reza Chowdhury will be present as special guests.

The organisers have made special arrangements for the disabled to visit the show.



Mahbub Jamil, President, Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI), hands over to Minister for Commerce and Industries Tofail Ahmed the Chamber's comments on the issues to be discussed at the Third WTO Ministerial meeting in Seattle, USA. Also seen in the picture are Alamgir Farouk Chowdhury, Secretary, Ministry of Commerce, and CK Hyder, Secretary-General of MCCI. — MCCI photo

Tofail says in Parliament

Govt has plans to increase border trade with Myanmar

Commerce and Industries Minister Tofail Ahmed yesterday told the Jatiya Sangsad that readymade garments including knitwear worth Tk 19288.47 crore, hides and skins worth Tk 807.20 crore, leather goods valid at Tk 245.45 crore, raw jute worth Tk 344.24 crore and jute goods worth Tk 1457.74 crore were exported during the 1997-98 fiscal, reports BSS.

The minister gave these figures in reply to a question from Md. Wajuddin Khan (AL-Pabna).

Responding to Begum Meher Afroj (women seat-20), Tofail said that the government had a plan to augment bilateral trade between Bangladesh and Myanmar as per border trade agreement between the two countries.

The minister said a five-member committee headed by the commerce secretary has been constituted to chalk out plan for the construction of a jetty on the bank of the Naaf river at Teknaf and a display cum sales centre near the proposed jetty for increasing the volume of border trade.

Tofail Ahmed said the issues of construction of bridges and culverts and development of road communication in the border belt of the two countries would be discussed during the visit of Myanmar commerce

minister to Bangladesh in October.

He hoped that border trade between the two countries would increase substantially with the development of road communication in the border belt.

In reply to another question, the commerce minister said the present government has in the meantime taken a number of steps to expand trade with the SAARC countries.

Under the SAPTA agreement, three rounds of discussions on trade liberalisation were held, during these discussions the countries signing the SAPTA agreement gave duty rebate to 5590 goods from 5 per cent to 100 per cent, he added.

Pursuant to the discussions for three times India, has today given duty rebate to Bangladesh on 2014 items. Besides, India has withdrawn non-tariff barriers on 2000 items, he added.

The minister further said that the fourth round of discussion on trade liberalisation would be held in the last week of the current month. It was expected that after the fourth round of talks on trade liberalisation the volume of inter-regional trade under the SAPTA agreement would further increase, he said.

Moreover, the commerce minister said, at the initiative of Bangladesh the former 'rules

of origin' under the purview of the SAPTA agreement has been relaxed.

He said the time of signing the SAPTA agreement in April, 1993 there was a provision that for getting duty rebate under that agreement the local vat should be at least 40 per cent on the exportable goods of the least developed countries.

For other countries the vat was 50 per cent. For these rules of origin the exportable goods of Bangladesh could not get entry into other SAARC countries including India, he said.

Tofail said after coming to power, the present government took initiatives to amend the rules of origin of the SAPTA agreement.

The second meeting of the SAARC commerce ministers held in Islamabad in April, 1998 it was decided in principle to reduce the rate of vat. The decision was approved at the 10th SAARC summit held in Colombo in July, 1998. Again at the third meeting of the SAARC commerce ministers held in Dhaka in February this year it was decided to reduce the rate of vat to 30 per cent for the least developed countries and at 40 per cent for others. The new rate of vat was effective from April this year after it was approved at the 21st meeting of the SAARC council ministers held in Colombo in March this year.

APEC ministers debate regional trade ahead of summit

AUCKLAND, Sept 9: Ministers from 21 Asia-Pacific economies on Thursday debated fresh moves to boost trade in a region that accounts for more than half the world's economic output, reports AFP.

Their two-day meeting precedes a summit of leaders from the Asia-Pacific Economic Cooperation (APEC) forum September 12 and 13.

Ministers were discussing a report from their senior officials on measures to expand business opportunities in the region and to strengthen financial markets to avert crises of the sort that rocked several APEC members in 1997-1998.

They also want to reach agreement on bolstering public support for APEC and its campaign to promote free trade and open markets, which has been denounced in some quarters as being harsh on the lot of the poor.

BRDB disburses Tk 2.25cr as micro-credit in Bandarban

Bangladesh Rural Development Board (BRDB) has launched various schemes to alleviate poverty and generate employment in the district since 1982-83, says UNB.

Over the 17 years, the Board disbursed micro-credits of about Tk 2.25 crore among 6,606 men and women under four schemes to help alleviate poverty through self-employment.

BRDB deputy director Mohammad Farooq informed that part from granting loans to the poor people, the Board has been imparting training on various subjects like poultry farming, rearing of cattle and pig, vegetable gardening, bamboo and cane work, sewing and weaving of tribal cloths.

As result, most of the borrowers were becoming self-reliant, he said.

Farooq said that since its inception, the Board had disbursed agriculture loan totalling nearly Tk 1.03 crore among 3,168 small and mid-level farmers through 139 cooperative societies for the development of agriculture and improvement of the lot of farmers.

Lack of processing facilities in N dists Mangoes worth crores of taka perish every year

NATORE, Sept 9: Green and ripe mangoes worth crores of taka perish every year in the absence of adequate processing facilities officials said, reports UNB.

According to the Mango Research Institute in Chapainawabganj, Rajshahi and Natore districts from where 4.75 lakh metric tons of mangoes are grown on an average every year.

The loss due to lack of processing facilities in the immediate past mango season has been estimated at Tk 115 crore.

Officials said there are about 12 lakh fruit-bearing mango trees on 19,066 acres of land in Chapainawabganj, Rajshahi and Natore districts from where 4.75 lakh metric tons of mangoes are grown on an average every year.

But 1.75 lakh tons of green mangoes are damaged by seasonal storm, hail-storm and other natural calamities during the cropping and harvesting period.

During the harvesting pe-

riod, the growers are compelled to sell those at throwaway prices.

They are now discouraged to produce mangoes which requires expensive methods.

Experts said that investment in mango-processing plants in the northern region would be profitable. The government

should encourage entrepreneurs with necessary facilities and financial assistance.

They said studies showed that the existing condition in the region with availability of adequate raw materials, land and manpower provide an excellent opportunity for the establishment and growth of mango-processing plants.

Natore Chamber of Commerce and Industries President N Aminul Haque pointed out that after the commissioning of the Bangabandhu Bridge, all kinds of scopes have been generated for setting up an exclusive zone for fruit preservation and processing in the region.

Haq lamented that a huge quantity of mangoes perish every year which could otherwise be processed and exported to the benefit of the growers and the nation as well.

Experts urged the government to invite entrepreneurs from home and abroad for setting up fruit-processing plants in the region.

In Zimbabwe, textiles — providing 40,000 jobs — and electronics are the industries that feel most threatened. But all sectors face an uncertain future as low-cost foreign goods pour into the market.

Industrialists blame the government's liberal trade policy, introduced in 1991, for their difficulties.

The Textile Manufacturing Association urges Zimbabwe and other countries in the region to adopt tough measures against the wave of imports from Europe and Asia.

Local industries argue that smuggled imports further weaken their business. Garment manufacturers claim that second-hand clothes donated to

southern Africa by European charities find their way into local markets.

A warning has also come from the Zimbabwe Shoe and Leather Workers Union. Commented secretary Isidore Zindoga: "Unless the government puts in place checks and balances to ensure that the entry of goods does not proliferate as a result of loopholes, we are heading for a dilemma."

The threat to local industries from cheaper foreign imports is compounded by a recent trade agreement between Pretoria and Brussels, giving duty free entry to the South African Union products, and thus effectively shutting Zimbabwean

A strong dose of foreign competition is worrying Zimbabwean industrialists. But consumers are happy with the increased availability of cheap imports. The government has to reconcile the two, reports Gemini News Service, but shows no signs of easing up on its decision to reduce protective barriers.

By Bright Chibvuri

products from that market.

Claims by Zimbabwean manufacturers that some of the new imports are substandard and amount to dumping have been given credence by the Consumer Council of Zimbabwe, which claims China and some other countries are sending poor-quality radios, televisions, agricultural machinery and other products without any guarantees, back-up services or spares.

Cosmetics, believed to have been imported from Saudi Arabia and France, have also been the subject of complaints. Last year police arrested several vendors who were selling skin-lightening creams containing mercury.

The consumer watchdog is lobbying the government to introduce a "product liability law" so that purveyors of such products can be prosecuted.

The government is sticking to its stand. Too much protection leads to inefficiency and retards industrial growth, insists Dzinkam Danha, chairperson of the Tariff Commission. Protective tariffs will now apply only to "infant industries". They will be given three years in which to graduate into "healthy industries".

Its position gets much support from cash-strapped consumers — and from some local business leaders.

"It is very important for us as industrialists to produce

what our consumers want," says Mike Ndudzo, chief executive of the Indigenous Business Development Corporation.

"As long as these goods are not entering the country clandestinely then it is not the problem of foreign suppliers but our own weaknesses as industry for failing to produce products that meet the satisfaction of the local market," he argues.

Local manufacturers who feel threatened by imports are being urged to explore foreign markets such as Namibia, Mozambique, Botswana, the Democratic Republic of Congo and Lesotho.

Compete harder, is the tough message from the Tariff Commission's Danha: "Industrialists must exploit their competitive advantages and fiercely develop niche markets in the domestic, regional and foreign markets."

Bright Chibvuri is a Zimbabwean journalist with The Worker newspaper and specialises in labour affairs.

Pound boosted by surprise UK rate hike

LONDON, Sept 9: The British pound sterling firmed sharply against the dollar Wednesday on the European exchange market, strengthened by the Bank of England's unexpected decision to raise its base rate, says AFP.

The Japanese yen, meanwhile, moved within narrow margins against the greenback, as traders were cautious ahead of Thursday's publication of Japanese gross domestic product figures for the second quarter.

At 1555 GMT, sterling traded at 1.6205 dollars on the London market from 1.6060 late Tuesday.

The dollar traded at 110.95 yen from 110.92 late Tuesday. The euro traded at 1.0594 dollars from 1.0584 dollars the previous day.

The Bank of England shocked markets with its decision to raise its base rate by a quarter point to 5.25 percent, the first increase since June 1998.



Anthony Dagleish, Program Manager of JOBS Program/USAID, speaks at the recently-held SME Bakery Development Assistance Workshop at IDB Bhaban. Sylvia Islam, Development Advisor of CIDA, and Richard Rousseau, Team Leader, Development Advisor, USAID, are also seen. The workshop was jointly organised by JOBS and CIDA. — JOB photo