

SANYO
Colour TV
Transfin Trading Ltd.
Tel: 815307-10, Fax: 813062
Installation Facility Available

Qatar to give priority to labour from Bangladesh

Qatar would give priority to Bangladesh, which has surplus skilled hands, in recruiting foreign manpower, says UNB. Qatar Minister for Civil Service Affairs and Housing Sheikh Fahal bin Jassem al-Thani gave the assurance while Bangladesh Labour and Employment Minister MA Mannan requested him to recruit more Bangladeshis for his country.

Mannan, who is now on official visit to Middle Eastern countries, met with his Qatari counterpart on Saturday, according to a message received here yesterday. Earlier Mannan informed Thani that Bangladesh had a large surplus of highly-qualified and experienced doctors, engineers and other professionals.

During the meeting, they discussed wide range of matters of mutual interest and expressed satisfaction over the existing relations between the two Islamic countries in all spheres. The same evening, Mannan joined Qatari Education Minister Dr Mohammad Abdul Rahim Kafoud in inaugurating the Bangladesh MHM High School and College in Doha.

The Bangladesh Minister thanked Emir of Qatar and authorities concerned for donating lands for the school building and their support for development of the school since its establishment in 1979. He assured the school authorities of continuing to provide all possible assistance of the Bangladesh government in running the school.

ICCB chief to attend World Chambers Congress

Mahbubur Rahman, President of International Chamber of Commerce (ICC) Bangladesh, left Dhaka on Sunday to participate in the two-day World Chambers Congress to be held at Marseille in France from September 30, says a press release.

The Congress, first of its kind and already dubbed as the global business summit, will be participated by about 1,000 participants from across the world. They will exchange expertise and explore ways to meet the opportunities and challenges of the 21st century. He is leading a 7-member business leaders delegation from Bangladesh.

The delegation comprises ICCB Vice President and Chairman of Transcom Limited Latifur Rahman, President of Bangladesh Employers' Federation and Chairman of Newage Group of Industries A S M Quasem, Country Manager of Credit Agricole Indosuez Francis Dibus and Managing Director of Sagar Garments Limited Fazlul Haque. Hosted by Rahman, Shahnaz Rahman and Mustary Begum.

The Congress, being held in concurrence with the 400th anniversary of the Marseille Provence Chamber, will announce a formal declaration on the millennium charter for chambers around the world. The charter will enable chambers to create services relevant to today's globalising markets and to the needs of their members.

The charter will also create a roadmap to guide chambers successfully into the 21st century, enhancing their role as representatives of businesses and bringing new dynamism into the working of worldwide chamber networks.

The plenary sessions of the Congress will discuss the strategic, technological and geographical factors affecting business today, new rules of multi-lateral trade and contentious issues, trade barriers between regions and different methods of networking.

The working session will discuss IT, better entrepreneurship, new financial, managerial and service structures to help maintain a balanced budget, major financial issues facing chambers today, challenge of internet for business and growth and problems of small and medium-sized enterprises (SMEs).

Iraq-Russia oil field developing talks resume

BAGHDAD, Sept 27: Senior Russian energy officials are in Baghdad for talks on how to implement a 1997 contract that gives Russia's largest petroleum company the right to develop a giant oil field in southern Iraq, diplomats said Monday, reports AP.

The Baghdad-based diplomats, speaking on condition of anonymity, said Iraq was pressing the Russians to begin work promptly, regardless of UN trade sanctions which prohibit foreign investment. The diplomats said the Russians are reluctant to begin, though under the deal they are obligated to spend at least \$200 million on developing up to 10 billion barrels of reserves in the southern Qurna field.

Maintaining competitiveness is main challenge

Only Bangladesh gets increased FDI in South Asia: UNCTAD

Bangladesh witnessed an increase of US\$ 176 million in the Foreign Direct Investment (FDI) inflow the total volume of FDI stood at US dollars 317 million in 1998 from US dollars 141 million in 1997, reports BSS.

Presenting highlights of the 'World Investment Report (WIR) '99' to mark its launching at CIRDP auditorium here, renowned economist Dr Debapriya Bhattacharya said FDI flow increased in Bangladesh despite overall decline by 11 per cent in Asia Pacific region in 1998.

Bangladesh has been facing stagnating investment situation but experienced the upward trend of FDI flow in 1998 especially in energy sector due to policy endorsement. Bhattacharya said that the country's FDI outward flow was 10 million in 1998 against 3.1 million in 1997.

Pleading for increasing Bangladesh's competitive strength in investment sector, he said long-term investment brings more benefits to a country. The government policies on

FDI need to address information and coordination failures, he added.

Effective promotion should go beyond simply marketing a country into coordinating the supply of a country's immovable assets with the specific needs of targeted investors, he said adding that policy measures needed 'to reduce high transaction costs and unnecessary, distorting and wasteful business costs.'

He suggested improvement of competitiveness to sustain growth and the growth can be sustained through fostering new, higher value-added activities in goods and services which can hold their own in open market.

Explaining regional trends of FDI flow, he said most FDI in 1998 has taken place in the form of merger and acquisition of transnational companies (TNCs) among USA and European countries following opening up markets due to liberalisation of trade, investment and capitals and deregulation in a number of industries.

Speaking on global trend of FDI flows, he said internalisation of production, particularly through activities of the TNCs is at the core of the deepening process of globalisation. There are 60,000 parent companies of TNCs with 25 per cent global output and 35 million people employed by foreign affiliates.

UNCTAD adds: The report showed FDI flows into both India and Pakistan fell last year, as also in many other Asian countries. It said inflows to Bangladesh were US\$ 141 million in '97 and US\$ 14 million in '96.

The annual average of FDI flows to Bangladesh in 1985-1995 period was only 4 million, the WIR '99 said.

The report, published by the United Nations Conference on Trade and Development (UNCTAD), was released here at a function chaired by UNDP resident representative Andre Klap.

South Asia is seen by UNCTAD as having considerable unutilised potential to attract foreign investment. FDI flows into India dropped

by around US\$ 1 billion to total US\$ 2.25 billion last year.

Pakistan attracted FDI of US\$ 497 million last year against US\$ 714 million in the previous year.

FDI flows to developing countries declined in 1998 from US\$ 173 billion to US\$ 166 billion, largely because of reduced inflows into a few Asian economies.

Moreover, the FDI gap among developing countries widened further, with the top five countries receiving 55 per cent of all the developing-country inflows in 1998 and the 48 least developed countries (LDCs) receiving less than one per cent, said the report.

FDI flows to crisis-ridden Asian countries declined, but the decline was moderate, according to WIR '99.

The total volume of FDI inflows into the Asia-Pacific region by transnational companies (TNCs) last year was US\$ 85 billion, 11 per cent down on the 1997 record but about US\$ 3 billion up on 1996.

China alone grabbed well over half the total FDI flows receiving US\$ 45.5 billion and was the third-largest recipient in the world behind only USA and UK.

Capital inflow to the giant Chinese economy last year exceeded the previous year's level by US\$ 1 billion.

South, East and South-Asia received over 77 billion of FDI last year, which was 10 billion less than that in 1997.

Many Asian countries including Malaysia, Singapore, Hong Kong and Vietnam witnessed significant fall in capital inflows, according to data given in the WIR '99.

The picture of FDI flows into Southeast Asia was a mixed one last year with the crisis having a significant impact on some economies.

Inflows to Malaysia were down 27 per cent while Singapore had a 26 per cent drop.

Hardest hit of all was Indonesia, where FDI inflows turned negative with investment of US\$ 356 million, compared to inflows of US\$ 4.7 billion in 1997.

But rising levels of mergers and acquisitions pushed inflows to Thailand to close to US\$ 7 billion, a more than US\$ 3 billion gain on 1997.



Andre Klap, Resident Representative of UNDP in Bangladesh, speaking at the launching ceremony of World Investment Report 1999 at CIRDP auditorium yesterday. Dr Debapriya Bhattacharya, Executive Director of CPD, is seen on his right. — Star photo

Half-yearly profit dips by 41 per cent

38 BAT officials opt for voluntary separation

Star Business Report

Some 38 management personnel have opted for British American Tobacco (BAT) voluntary separation scheme (VSS) under a company restructuring plan after it suffered a huge setback in its balance sheet.

BAT has already accepted the applications for voluntary separation. The VSS package was announced on September 12 and closed on September 23, a company spokesman said yesterday.

Meanwhile, the company's half-yearly balance sheet as of June 30, 1999, shows that its net profit dipped by 41 per cent compared to the same period of last year despite a meagre one per cent reduction in expenses.

"There is no reason for panic. It's a routine matter. Over the next few weeks, we are going to talk to all our managers to explain the VSS and dispel all confusions and rumours about it. We are going to discuss with them the strategy for further expansion of the company's business," Mahmudur Rahman, BAT Corporate Affairs Manager, told reporters yesterday.

Explaining the background of management restructuring, he said the company is committed to maintaining its competitive advantage under "difficult market conditions".

"Over the years, the company has made significant investments in introducing sophisticated technologies in its factory. By consolidating its Head Office and factory operations, a process which has already started, the company expects to retain its competitive edge ensuring adequate returns to its stakeholders and giving more value to consumers," Mahmud said in a written statement.

Mahmud said that the company, which markets premier brands like Benson and Hedges and Gold Leaf, was facing an uneven competition in the local market from smuggled cigarettes. He cited a company survey which shows that there had been a rise of 73 per cent in the sale of smuggled brands like London coming from Myanmar and Benson and Hedges.

He said that until December 1998, some 45 million sticks of such smuggled cigarettes were sold in the market, rising to 60 million sticks by the end of August this year.

BAT is one of the highest taxpayers in the country, which paid Tk 1,006 crore in 1998 as excise revenue and taxes to the government, he said.

He rejected the rumour that BAT only plans to sell imported products instead of producing premier brands like Benson and Hedges.

He added that PC Bazar sold complete systems (AMD-K6-II-400 MHz with 32MB RAM) at a 22,900 which is one of the lowest price offered by the participants in the computer fair.

The BCS show organisers continued the anti-piracy drive at the end of the show and apprehended more than 3,500 software programmes. But they were undecided what to do with the seized illegal softwares.

Executives of the samity said we have successfully convinced the participants in the show to give up the illegal trading.

During his visit to the site of the proposed industrial park in Sirajganj Sunday, Haq underlined the need for setting up industrial units in different parts of the country including Bhola, Barisal and greater Mymensingh.

Speaking at a reception accorded to him at Sirajganj Circuit House, the BOI executive chairman said that employment opportunities would have to be created to absorb the youths in jobs through setting up of industrial units. Local entrepreneurs, he said, will have to come forward to invest more to attract foreign investors.

Haq also underscored the need for establishing agro-based industries in the country.

The executive chairman of Bangladesh Board of Investment (BOI) has said that an industrial park would be set up in Sirajganj as per the decision of Prime Minister Sheikh Hasina, reports BSS.

During his visit to the site of the proposed industrial park in Sirajganj Sunday, Haq underlined the need for setting up industrial units in different parts of the country including Bhola, Barisal and greater Mymensingh.

Speaking at a reception accorded to him at Sirajganj Circuit House, the BOI executive chairman said that employment opportunities would have to be created to absorb the youths in jobs through setting up of industrial units. Local entrepreneurs, he said, will have to come forward to invest more to attract foreign investors.

Haq also underscored the need for establishing agro-based industries in the country.

Leading European thinker says IT won't bring big changes for developing world

Star Business Report

Dr. Jacques Attali, one of the leading European thinkers of recent times, has said development in the next few decades will be based on information technology (IT) but it will not bring any significant changes for the developing countries.

The utilisation of IT and its benefits will concentrate mainly in three areas of the globe -- the USA, Europe and Japan -- he said, adding that new technology has not been developed to cater to the needs of the developing countries. "A total of 18 countries in the South are able to use of IT," Attali mentioned.

Dr. Attali was delivering a lecture on new technologies and its future development at the Grameen Bank Auditorium yesterday.

Chaired by Rehan Sobhan, Chairman of Grameen Bank, the function was also addressed by its Managing Director Prof Md Yunus.

He said there has been three kinds of forecasts regarding the development of IT -- business

atmosphere will be boosted, people will be empowered and it will yield increased benefits for the companies involved.

New technology is accelerating globalisation of markets, increasing the ownership quality of companies worldwide and at the same time will concentrate wealth only in the lap of some countries.

Getting inspired by Grameen Bank, Attali has set up an organisation called "PiaNet Finance" to support micro-credit programmes through Internet. The organisation aims at providing all types of financing and services to micro-credit initiatives throughout the world through the use of information technology. Dr Attali is the President of PiaNet Finance while Dr Muhammad Yunus is a member of the Board.

The financial markets all over the world are exchanging more information these days and are expected to flourish at an amazing rate. This is due to the new technological evolution, he said.

IT will create a lot of movements and its development will be enormous in the next century, said Dr. Attali who was the founder President of the European Bank for Reconstruction and Development from 1991 to 1993.

"I am just saying that a huge agenda is going to change things. This is just the beginning," he said.

He said that the consequence of any technological change is slow at the outset, but the IT industry will have a huge domain of progress in the near future.

New technology can create markets and can generate new sources of power, he said, adding that fresh technology is going to create new concentration of power.

Pointing to the development of Singapore, he said: "We may see a lot of Singapore in the future."

On a query, Dr. Attali said Bangladesh had a huge reserve of gas and the country might have gas-based development.

Nine bids offered for four SOEs

Compared with negative response to the earlier efforts by the Privatisation Board, its recent move may attract a good number of offers to sell four state-owned enterprises (SOEs), reports UNB.

Prospective buyers offered nine bids worth about Tk 9 crore for four industries, while no bid was received for the fifth one, sources said of the tenders opened Sunday.

They said a bid worth Tk 2.68 crore was offered for Kishoreganj which has production capacity of 10,161 metric tons per year.

Another Tk 1.60 crore offer was received for Deshbandhu, Sugar Mills having a production capacity of 2,800 metric tons per year.

Four bids were offered for Sheikh Mujtaba and Company, the highest bidder offering Tk 1.91 crore for the SOE. Three

bids were offered for Satrang Textile Mills having 12,400 spindles. The highest bidder offered Tk 2.76 crore.

However, no response was received for Fish Export Ltd. Sources said that the bids were yet to be scrutinised by the selection committee of the Board. The offers will have to be approved at the board meeting of the Privatisation Board after scrutiny, and later it will be submitted to the Cabinet Sub-Committee on economic affairs.

The final decision to offload the SOEs will be given by the prime minister after the approval of the Cabinet Sub-Committee, sources said. Later, the Privatisation Board will issue Letters of Intent (LOIs) in this regard.

Sources said that tenders were invited for more than twice to offload the industries, but none responded earlier.

Annan for urgent steps to tackle poverty

WASHINGTON, Sept 27: The current level of poverty, unemployment and inequality in the world has to be checked immediately as it has become worse than a crisis -- a scandal, UN Secretary-General Kofi Annan has said, reports FTI.

The poor must be able to work their way out of poverty. The fact that so many of them cannot do so today is a bleak condemnation of development strategies of the past half century, Annan said at an IMF-World Bank seminar yesterday on the occasion of the annual meetings of the WB and IMF.

In many cases, inequalities -- both between and within nations have been widened.

Hotel Agrabad celebrates Tourism Day

From Our Correspondent

CHITTAGONG, Sept 27: The management of Hotel Agrabad underscored the need for a specific *modus operandi* for the private participation to help flourish the tourism industry of the country and proper measures for the preservation of places of historical and traditional importance.

In a press conference held at the local press club on the eve of World Tourism Day '99, the management of the hotel said that the geographical location and natural beauty of the country were very suitable for the flourishing of tourism in Bangladesh.

The Chief Executive of Hotel Agrabad and the President of Bangladesh International Hotel Association H M Hakim Ali hoped that the theme of this year's Tourism Day is 'Tourism: preserving world heritage for the new millennium' will increase awareness among us to keep up the tradition.

He said that the future of tourism in this country was very bright, but it could not grow to the expected level because of lack of proper implementation of tourism rules and higher taxes on this sector.

The conference was addressed among others by ANM Shahed Chowdhury, HM Rafiqul Islam, Didarul Alam and RHIM Imran Chowdhury.

Meanwhile, the authority of Hotel Agrabad had chalked out an elaborate programme to mark the occasion.

Indian 'Big Bull' found guilty in securities market scam

BOMBAY, Sept 27: The Bombay High Court today found former stockbroker Harshad Mehta guilty in one of several cases filed against him connected with a \$1.25 billion securities market scandal, says Reuters.

Judge MS Rane, presiding over a special court set up to hear cases relating to the 1992 scandal, held Mehta, known locally as the 'Big Bull', guilty of fraudulently diverting into his own account money belonging to car maker Maruti Udyog Ltd.

Maruti Udyog is a joint venture between the Indian government and Suzuki Motor Corp.

Harshad Mehta in furtherance of criminal conspiracy did dishonestly misappropriate four banknotes cheques aggregating 389.7 million rupees... drawn by Maruti Udyog," the court judgement said.

He is due to be sentenced on Tuesday.

India's federal police, the Central Bureau of Investigation, filed 44 cases following the 1992 scandal which allegedly involved stock brokers and bankers siphoning money from government securities to use on the then-booming Bombay stock exchange.

Road communication disruption

Coal import from Meghalaya suffers major setback

MEGHALAYA, Sept 27: Export of coal to Bangladesh from the Indian state of Meghalaya suffered a major setback due to disruption of road communication between Jowai and Dawki, reports UNB.

Officials in Jowai said export of the black diamond from the mines of Kheriet, Lad Rymbai and Sutunga have stopped since September 19 after the collapse of a road bridge near Amlarem, a sub-divisional headquarter of Jaintia hills district, about 27 km from the international border.

"Our coal-loaded trucks are stranded on the highway for the last one week," said a member of Meghalaya international traders' association in Shillong. "We had to incur huge loss for it," he said.

Every year the tiny northeastern state of India earns around Rs 100 crore by exporting coal to Bangladesh.

Export generally is at its peak during the winter season, the association member said. Traders' association has been demanding all-weather roads for transhipment of consignments to Bangladesh. It alleged that bridges on the road are also in very bad shape.

Meanwhile, the Union ministry of surface transport has declared the 55-km-long Jowai-Dawki and 72-km-long Dalu-Baghmara roads as national highways.

Sources in the ministry said communication through the highways is likely to improve within the next couple of years. The state government was yet to hand over the roads to the Union ministry.

Industrial park to be set up in Sirajganj

The executive chairman of Bangladesh Board of Investment (BOI) has said that an industrial park would be set up in Sirajganj as per the decision of Prime Minister Sheikh Hasina, reports BSS.

During his visit to the site of the proposed industrial park in Sirajganj Sunday, Haq underlined the need for setting up industrial units in different parts of the country including Bhola, Barisal and greater Mymensingh.

Speaking at a reception accorded to him at Sirajganj Circuit House, the BOI executive chairman said that employment opportunities would have to be created to absorb the youths in jobs through setting up of industrial units. Local entrepreneurs, he said, will have to come forward to invest more to attract foreign investors.

Haq also underscored the need for establishing agro-based industries in the country.

Price surge brings sales down in computer fair

Sale of computers fell sharply as an alleged unholy alliance of big sellers unduly pushed the prices sky high at the BCS (Bangladesh Computer Samity) computer fair '99, set to end today, says BSS.

The unexpected increase of prices in the last week of the fair is almost certain to defeat the avowed goal of the fair expressed in the rather catchy slogan of the organisers 'computers for all', commented some of the visitors.

"Just imagine the price of RAM has been raised to over Tk 8,000 while it was available between Tk 2,300 and 2,700," said irate buyers.

Observers of IT (information technology) sector said many buyers had to leave the fair with a broken heart after the prices of RAM (Random Access Memory) and some important accessories were suddenly

raised.

BCS general secretary Ahmed Hassan attributed new pricing of RAM to international marketing factors. "Fall of production in South Korean microchip industries," he said, "contributed to price rises in Singapore, our main source of imports."

But IT experts contradicted him saying the sudden hike at the computer fair here is far from justifiable even taking recent hikes in Singapore into consideration.

The local hardware vendors are not ordering from major companies and they are relying on the alternative IT markets, they observed.

Expressing caution the IT experts said RAM and accessories for clone computers procured from the alternative markets are not safe and nobody can give warranty and as-

sure proper after sales service.

System analyst of PC Bazar Khan M Hasnain, claimed that their organisation has escaped the RAM crisis and sold more than 400 computer systems along with more than 100 multimedia-kit and TV tuner in the current fair.

He added that PC Bazar sold complete systems (AMD-K6-II-400 MHz with 32MB RAM) at a 22,900 which is one of the lowest price offered by the participants in the computer fair.

The BCS show organisers continued the anti-piracy drive at the end of the show and apprehended more than 3,500 software programmes. But they were undecided what to do with the seized illegal softwares.

Executives of the samity said we have successfully convinced the participants in the show to give up the illegal trading.

HOTEL AGRABAD
CELEBRATES
WORLD TOURISM DAY
ON 27TH SEPTEMBER

The Chief Executive of Hotel Agrabad and President of Bangladesh International Hotel Association HM Hakim Ali (2nd from left) speaks at a press briefing at Chittagong Press Club Sunday on the eve of World Tourism Day '99. — Hotel Agrabad photo