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# The Daily Star BUSINESS

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Pakistan offers Bangladesh \$8m suppliers' credit

Pakistan has offered suppliers' credit worth 8 million US dollars to Bangladesh for Balancing, Modernisation, Rehabilitation and Expansion of Carew & Co Sugar Mills, says UNB.

A two-member Pakistan delegation led by the chairman of State Engineering Corporation of Pakistan Ministry of Industries and Production, Hussain Ahmed Siddiqui, is now in Bangladesh to formalise a deal with the Bangladesh Food and Sugar Industries Corporation.

Earlier Bangladesh has requested the credits for the BMRE of the Carew & Co Sugar Mills, Pakistan High Commission said in a news release yesterday.

**Shafiqul becomes BB Director**

The government has appointed Kazi Mohammad Shafiqul Islam as a director of the Board of Directors of Bangladesh Bank, a BB release said here yesterday, reports BSS.

Islam was former Vice-President of the Federation of Bangladesh Chamber of Commerce and Industry (FBCCI) and also a member of General Assembly of SAARC Chamber of Commerce and Industries, the release added.

**Import of coal through 2 Sylhet borders remains suspended**

SYLHET, Oct 4: Coal import through Barocharha and Charaon frontiers remained suspended for over two months, pushing up its price in local markets, reports UNB.

Sources said that export and import through the borders remained suspended since August 1 due to a border skirmish between BDR and BSF, throwing hundreds of people out of job.

**Dr Alamgir to attend Manila conference**

State Minister for Planning Dr Muhiuddin Khan Alamgir left Dhaka for Manila Sunday to attend a conference on "Improving Human Nutrition Through Agriculture" at the invitation of International Food Policy Research Institute (IFPRI), reports BSS.

International Food Policy Research Institute (IFPRI) is organising the conference entitled "Improving Human Nutrition Through Agriculture: The role of International Agriculture Research" on October 5-7 in Manila.

The conference is aimed at exploring whether human nutrition should be given a higher priority on the Consultative Group on International Agricultural Research (CGIAR) agenda.

Alamgir will address the conference on the opening day on the role of Agriculture in Nutrition Policy in Bangladesh.

**2-member trade team leaves for Malaysia**

A two-member delegation of Bangladesh Refrigeration and Air-conditioning Bank Samity leaves Dhaka today for Malaysia on invitation from the world renowned Action Company there, reports BSS.

Besides, Malaysia the delegation led by the samity's President Md Delwar Hussain, will visit Singapore, Thailand and Hong Kong where they will discuss business and trade opportunities for Bangladeshi with trade bodies in those countries, a samity press release said here yesterday.

The other member of the delegation is Francis Chaki.

The delegation is expected to return home on October 16.

**BARI innovates new variety of banana**

GAZIPUR, Oct 4: In more good news for the country's banana growers, Agriculture Research Institute (BARI) has innovated a new high-yielding variety of banana, says UNB.

BARI officials said the new variety, which is yet to be named, would be released for plantation after approval from the National Seed Board.

Like other local varieties, the officials said, the new banana would also get yellowish with ripening and have 10 hands in its each bunch with 22-24 pieces of banana in each hand. Each bunch of the banana is expected to be 25-30 kg in weight.

BARI scientist Dr Mohammad Abdul Haq said this variety has been innovated from local MS variety through mutation and its yield would just be double than the most popular "Amrita Sagar."

"The taste of the new variety will also be the same of Amrita Sagar," he said.

## Replacing fake shares 'doesn't absolve' forgers from crime

**SEC orders book closure of 16 cos to detect fake scrips**

By M Shamsur Rahman

Following widespread public criticism of a Dhaka Stock Exchange (DSE) decision to withdraw its suspension order on a brokerage house after it replaced forged shares with genuine ones, the Securities and Exchange Commission (SEC) yesterday said that the action did not absolve the company from crime it committed.

SEC Chairman MA Sayed yesterday told journalists that the act of forging shares was "a criminal offence" under Section 467 of the Penal Code, which was punishable with life imprisonment or with imprisonment for a term and be may extended up to ten years with a fine.

"If a company is involved in trading fake shares and then replaces these with genuine ones after getting caught, it is still liable to be punished," he said.

The remark by the SEC chief once again highlighted the lack of transparency and account-

ability in DSE stock dealings. Countering the DSE Councillors' argument that a suspended brokerage firm can restart trading if it replaces its fake shares with genuine ones, the SEC chairman said that share forging was an offense which was "not even bailable."

Meanwhile, the Commission chairman yesterday held a meeting with the DSE council to discuss the fake share issue.

Sources said that the SEC was toying with the idea of reconstituting the DSE Council with all non-broker councillors to make it more effective with a strong management.

In the meeting, the chairman also distributed documents in support of his plan, which showed that the Board of the National Stock Exchange of India is formed with non-brokers.

Meeting sources also said that the SEC chairman also blasted the DSE councillors for

their failure to take necessary steps against the scammers involved in pumping fake share certificates into the stock market.

He also said that the Council should have acted promptly against the members involved with the crime.

As an immediate step, the SEC approved a DSE proposal to direct 16 companies to declare book closures immediately and suspend their trading during the closed period. Both the DSE and the Chittagong Stock Exchange (CSE) will direct the companies to announce book closures.

The companies are: Rupon Oil, Aramit Cement, Aramit Ltd, Sinobangla Industries, Samata Leather, Gulf Foods, Bengal Biscuit, JH Chemicals, Gem Knitwear, Excelsior Shoes, Mark Bangladesh, Monospool Paper, Paper Processing, Dhaka Fisheries, Tulip Dairy and Shinepukur Holdings.

The move will enable the authorities to identify the forged scrips side by side giving an idea about the size of the fake share market.

The shares of these companies will be allowed to be traded only after they are duly verified. Each scrip must bear the name of the client and the company's re-validation seal, signature and date.

Meanwhile, the SEC yesterday suspended the license of TSI Securities Ltd, a broker dealer of the CSE for violating conditions in the registration certificate.

Meanwhile, the DSE yesterday decided to suspend the 16 companies from trading with direction to call book closure.

Following the green signal from the regulators, the DSE Council yesterday evening held an emergency session and decided to ask the companies to issue a seven-day prior notice to keep books for transfer of shares closed for at least 14 days.

## JB ReadyCash Card to be launched Oct 19

Janata Bank's ReadyCash Card, now operating in Bangladesh, is to be formally inaugurated on October 19 in the ballroom of Sheraton Hotel, says a press release.

Finance Minister S A M S Kibria will attend the special event as the chief guest and US Ambassador John C Holzman as the special guest of honour.

## HSBC rules out connection of April's ATM glitch to Y2K

HONG KONG, Oct 4: A computer glitch briefly shut down 900 automated teller machines operated by banking giant HSBC Holdings and its affiliate, the Hang Seng Bank but executives said Monday they had ruled out any connection to the millennium bug, reports AP.

HSBC's telephone banking services also were halted and branch teller transactions slowed across Hong Kong for a half hour Saturday morning, but spokesman Vinh Tran said technicians found that the problem originated with external software.

Tran said the bank was discussing the "very unusual" problem with the software producers, but she refused to elaborate or to name the company that provided the software.

Customer data was not affected, Tran said.

The bank has tested its systems to ensure against possible problems erupting at the stroke of midnight on Jan 1 and has developed contingency plans in case irregularities develop, she said.

The millennium bug, also known as the Y2K problem stems from the design of some older computers and software programme that recognise only the last two digits of the year and could mistakenly interpret the 00 that rolls around with the year 2000 as 1900, causing a variety of malfunctions.

The HSBC banking group's 900 Hong Kong ATMs also failed for brief periods on April 7 and April 8. The company said those glitches also were caused by software problems.

## Govt to build dormitory for women garment workers

while Housing and Public Works Minister Engineer Mosharrif Hossain and Secretary Housing Shohel Ahmed attended it as the special guests.

Zillur Rahman said the government has already taken initiative for infrastructure development in ten municipalities in the first phase and the rest 22 will be constructed in the second phase to reduce the pressure of the migration of the rural people in urban areas.

"Housing Estates will be constructed in different municipalities by providing civic amenities," he said.

Referring to the inhuman living condition of slum dwellers in the city the minister said a massive rehabilitation programme has been taken up by

the government under the leadership of Prime Minister Sheikh Hasina.

"As part of this programme the government has also taken initiative to construct two projects for the rehabilitation of the city slum dwellers at Savar and Keraniganj," he added.

The minister urged all concerned to refrain from constructing the illegal and unplanned buildings in the city.

Later a colourful procession was started from Shishu Park and after parading different City Streets it ended at the Osman Memorial auditorium.

LGRD and Cooperatives Minister Zillur Rahman and Housing and Public Works Minister Mosharrif Hossain led the procession.



Fumie Kagaya, Japan's electronics giant Sony employee displays world's smallest CD Walkman D-E990, 130mm in diameter and 167.5g in weight, at the company's head office in Tokyo Monday. Sony will put it on the domestic market on October 21 with an estimated price of 20,000 yen (185 USD).

— AFP photo

## Kenyan coffee farmers fight to protect their crop

now," Gatangi told the news agency as he bent low to prune a bush. "At the end of the day, the revenues are much less than the effort I put in."

In Kenya, coffee employs about 30 per cent of agricultural workers. Most coffee is grown by small-scale farmers who also band together to form cooperative societies responsible for primary processing.

The result is then sent for secondary processing to millers — some of which are also owned by farmer cooperatives — before being sent on to the Coffee Board of Kenya (CBK).

Despite the partial liberalisation of the sector, the CBK still has a monopoly on marketing and selling all coffee produced in the country.

This is what Gatangi and his peers want to change.

Farmers argue that corruption among societies and millers as coffee makes its way to the CBK means their profits are slashed. The CBK itself has not escaped accusations of corruption.

Analysts say wrangling over control of the lucrative role of

marketing and selling coffee has deeply divided the industry at the expense of boosting production and revenues.

Once the country's leading foreign currency earner, coffee now trails behind tea and tourism. Production has slumped from an average of 120,000 tonnes in the past decade to only 47,000 tonnes last year.

The solution, say many, is to allow farmers or millers to sell their product to who they want. This is the root of the current coffee dispute.

"We can't forever be slaves of other people," said 63-year-old George Gikubi, as he kept guard outside a factory he and a group of colleagues had taken over to prevent their crop from being sold to the CBK. "We want to run our own affairs."

Those who want quick change like Gikubi, will stop nothing to make their point heard.

In August, Gikubi's group armed themselves with bows and arrows and went on the rampage, cutting down coffee trees belonging to those they see

as being opposed to change.

More than 20 coffee processing factories have been taken over by disgruntled farmers who still lay siege with bows and arrows to prevent any crop being taken in or brought out.

"Currently the farmer is a pawn in a wider game involving the apex institutions," said James Nyoro, senior research fellow at Egerton University, Kenya's leading agriculture school.

As the dispute rages, factory processing has slowed to almost a standstill. Traders say the conflict will seriously undermine Kenya's coffee production and spells doom for the struggling sector.

"It is dangerous, it will kill this industry," said Peter Kinyua, a director of exporter African Coffee company.

The value of Kenya's coffee exports in the first seven months of the 1998/99 crop year — October 1998 to May 1999 — fell to 5.46 billion Kenyan shillings from 7.98 billion shillings in the same period the previous year, partly due to poor global prices.

## FBCCI urges Myanmar to add more items to border trade list

Star Business Report

FBCCI President Abdul Awal Mintoo yesterday urged the visiting Myanmar commerce minister to increase the number of items in his country's border trade list including rice, teak, livestock and hides and skins.

"Myanmar should withdraw its ban on these items since the countries have been each other's trade partners for a long time. But unfortunately, the present trade position between the two countries does not present an encouraging picture," he said, while speaking at a meeting with a high-powered Myanmar delegation led by Commerce Minister Major General Kyaw Than.

As both the countries enjoy the opportunity of acting as a bridge between the vast and growing markets of the ASEAN and SAARC regions.

Speaking at the meeting Myanmar Commerce Minister Major General Kyaw Than agreed in principle to improve infrastructural facilities to increase trade between the two countries.

"As both the countries are members of BIMST-EC, it would be easier to cooperate with each other. We have entered into both general and border trade agreements."

"We are developing our economy supported by agro-based industries. We have already received seven billion US dollars as foreign direct investment," the Myanmar minister said.

The FBCCI President also urged Kyaw Than to withdraw all restrictions on the movement of Bangladeshi in the state of Rakhine and other parts of Myanmar and allow

visa to Bangladeshi citizens for 15 days instead of the present 48-hour and seven-day visas.

The formation of BIMST-EC of which both Bangladesh and Myanmar are members, has added a new vista of cooperation.

"Our trade related issues like licensing, tariffs, non-tariff measures, fees and taxes on exports and imports are very flexible and these procedures will never be technical barriers to trade."

U Aung Kyi, Advisor of Department of Border Trade, U Nyunt Aye, Director General of Directorate of Border Trade, U Saw Aung, Managing Director of Myanmar Agricultural Produce Trading (MAPT), U Ko Ko Lay, Assistant Director of Directorate of Trade and U Mya Tun, Charge d' Affairs of the Embassy of Myanmar attended the meeting.

FBCCI vice-president MA Mumin said that the Federation would lead a trade delegation to Myanmar next January and invited a Myanmar team to Bangladesh to reciprocate.

The Bangladesh-Myanmar Business Promotion Council President Rashed Maksud Khan suggested a single-country exhibition showcasing that Bangladesh's export basket could be arranged in Yangon sometime next February or March.



FBCCI President Abdul Awal Mintoo speaks at a meeting with a high-powered Myanmar trade delegation led by Commerce Minister Kyaw Than yesterday. FBCCI vice-president MA Mumin and Myanmar Commerce Minister Kyaw Than are also seen in the picture.

— Star photo

## Report on 'Who Owes Who?' says

## Rich world's 'carbon debt' greater than the poor

WASHINGTON, Oct 4: Rich countries say poor ones owe them money but their own 'carbon debt' is three times greater than their fair share of the climate, and adding more to the damaging effects of global warming, are running up a debt to those countries that are using less than their fair allocation.

Highly-indebted poor countries are accumulating credits of up to 612 billion dollars compared to their conventional financial debt of around 200 billion dollars to wealthy nations, the report asserts.

That estimate is based on carbon dioxide reduction targets set by the UN's intergovernmental panel on climate change as well as prevailing estimates of the economic value and costs of emitting the greenhouse gas.

The atmosphere can only absorb a certain amount of greenhouse gases before disruptions begin, so their emission controlling, the report says.

"As each day, industrialized

countries delay action on the 60-80 per cent cuts that are needed, they go over-budget."

What's more, according to our projection of sustainable carbon use per person, the United States currently uses 12 times the allowable amount and Britain, six times.

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