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The Daily Star BUSINESS

DHAKA, SATURDAY, OCTOBER 30, 1999

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Dhaka wins \$4m export orders at S African exhibition

Bangladesh received orders worth about US \$ 4 million for jute goods and melamine products at the South African International Export Fair recently held there, says BSS.

Besides, prospective orders for export of a sizeable quantity of electric cables were also received at the fair held between October 19 and 23 with the participation of 750 business and trade organizations from 40 countries, including Bangladesh.

Member of the Parliamentary Standing Committee on the Ministry of Commerce Akhter Hamid Siddiqi and Director of the Export Promotion Bureau (EPB) Abdul Majid Bhuiyan were in charge of supervising the Bangladesh pavilion at the fair, an EPB press release said here yesterday.

Bangladesh Jute Mills Corporation, BRB Cables, Sharif Melamine, Crown Melamines, Bangladesh Melamines and Craft International took part in the fair with their products.

The visitors, including Bangladesh High Commissioner and Bangladeshi expatriates in South Africa, evinced their keen interest in Bangladeshi products, like jute goods, jute carpet, cane products, pottery, jute bag, melamine products, readymade garments and ceramic products put on display at the fair.

US roars back to growth path after short pause

WASHINGTON, Oct 29: The US economy, after a springtime pause, came roaring back in the summer, expanding at a sizzling annual rate of 4.8 per cent from July through September, the fastest pace this year, reports AP.

The Commerce Department reported Thursday that the increase in the gross domestic product — the total output of goods and services — in the third quarter followed a sluggish 1.9 per cent rate of growth in the April-June quarter as America's soaring trade deficit cut sharply into growth.

Even though the trade worsened further in the third quarter, it was offset by strength in most other categories, including robust consumer spending and a strong buildup in inventories held by businesses.

The 4.8 per cent GDP growth was the fastest pace since a 5.9 per cent surge in the final three months of last year and was even better than many economists had been expecting.

In a second report, the Labor Department said American workers' wages and benefits rose by 0.8 per cent in the third quarter, slightly lower than the 0.9 per cent increase many economists were expecting, indicating little inflationary pressures coming from rising wages. In the past 12 months, employment costs rose a modest 3.1 per cent.

Financial markets, which have been jangled in recent weeks over fears that the economy is growing so rapidly that the Federal Reserve could step in and raise interest rates for a third time this year, rallied on the benign employment-cost report. The yield on the 30-year bond, which had hit a two-year high in recent days, retreated in early trading.

Oil prices fall 5pc

LONDON, Oct 29: World oil prices slid five per cent yesterday in a sharp technical reversal of last week's gains aggravated by poor refinery profit margins in the United States, reports Reuters.

Benchmark Brent crude tumbled \$1.17 on the London futures market to settle at \$21.42 a barrel. Brent has traded between \$21.24 since the year's unrivalled rally peaked four weeks ago at \$24.30.

Dealers said that even though global inventories were expected to decline sharply during the remainder of the year, the picture on markets was not quite as bullish as some had expected.

Sentiment was damaged by a hefty 3.4 million barrel rise in crude stocks in the world's largest energy market reported this week by the Washington-based American Petroleum Institute (API) industry group.

Meanwhile, non-OPEC oil production is set to rise sharply in the fourth quarter, pushed higher by North Sea developments.

Estimates of OPEC supply in October are expected to emerge next week.

Bangladesh to lead poor nations in WTO ministerial meet

Tofail calls for expansion of LDCs' trading opportunities

Commerce and Industries Minister Tofail Ahmed returned home yesterday after a 4-day official visit to Geneva where he attended a two-day conference on 'Ensuing WTO Discussion-opportunities and Prospect for the Businessmen' organised by Foreign Trade Association (FTA), a Brussels-based organisation, reports BSS.

The minister, while addressing the conference, called upon all developed and developing countries to take effective measures for expanding the trading capabilities of LDCs.

The minister presented a

keynote paper on 'Inclusion of the underdeveloped countries in the world trade and expansions of market access' in the conference.

The minister said LDCs are not opposed to the beginning of next round of negotiation of WTO, but they want complete implementation of the pledges made by the developed countries during the first round of negotiation ended in 1994 to provide LDCs with facilities for trade liberalisation.

He said LDCs do not want any fresh obstacles to their exports.

Tofail informed that he

would demand free movement of the common people across the world.

Meanwhile, an earlier UNB report says: Bangladesh will lead the least developed countries (LDCs) to protect their trade rights in the 3rd WTO Ministerial Meeting at Seattle beginning on Nov 30, reports UNB.

This was decided at a meeting of the Geneva-based Mission chiefs of the LDCs with Bangladesh Commerce and Industries Minister Tofail Ahmed in the chair.

The meeting was held on the

sidelines of a two-day international conference on the coming WTO negotiations perspective and benefits of the business community ended in Geneva on Tuesday.

An agreed plan of action for a united stand of the LDCs was taken in the mission chiefs' meeting.

It was decided in the meeting that the LDC ministers will again sit together a day before the Seattle meeting to finalise strategies of discussion in the WTO conference.

He also had a stopover in Saudi Arabia and performed Umrah.

Speakers at YEP workshop on capital market

Regulators should ensure full disclosure of cos' infos

By Staff Correspondent

Speakers at a workshop in the city Thursday said the regulators like central bank and SEC should play an important role in ensuring full disclosure of companies' all relevant information to enable investors, both institutions and individuals, to make informed decisions about investing in the capital market.

The workshop on 'Investment in the Share Market through Financial Analysis' was organized by Young Entrepreneurs and Professionals (YEP) Forum in collaboration with The Daily Star and The British Council at its auditorium.

Too much intervention of regulators would hinder the confidence of the investors. Rather, the companies have to

perform well to bring back the confidence of the investors, they observed.

Dr. Mahmood Osman Imam, Department of Finance and Banking, Ahsanul Islam Titu, Councillor of Dhaka Stock Exchange, Yawer Sayeed, Managing Director of AIMS Bangladesh, Tahsina Rahman, financial analyst of American Express Bank and Md Minhaz Zia, Deputy General Manager of IDLC (BD) Ltd, made presentations regarding financial aspects of the companies.

Coordinated by Mohib Rashid, a total of 66 students, service holders and other professionals participated at the workshop. Of them, 55 per cent said they never invested in the primary capital market and 62

per cent said they did not invest in the secondary market.

Editor of The Daily Star, Mahfuz Anam, in his address, termed the capital market as the 'heart of the market economy'.

"Capital market links a company to the people. But the main reason for the '96 share scam was a collective ignorance," he pointed out.

M. Minhaz Zia, Deputy General Manager of IDLC (BD) Ltd said: "Not only had our financial statements failed to reveal vital material information, but also sometimes contained distorted ones."

He mentioned poor auditing standard was a problem and number of competent and reliable audit firms were limited.

BIA course on reinsurance concludes

A 3-day training course on reinsurance practice and methodology organised by Bangladesh Insurance Academy in association with Sadharan Bima Corporation and Asian Reinsurance Corporation, Bangkok, ended at the Academy Bhaban in the city on Thursday, says a press release.

Two-reinsurance experts — SA Kumar and A Prawat of the Asian Re-Insurance Corporation, Bangkok-conducted the course.

Sayed Alamgir F Chowdhury, Secretary of Commerce and Chairman, Board of Governors of Bangladesh Insurance Academy was present as chief guest and distribute certificates among the participants.

The chairman of Asian Reinsurance Corporation and Managing Director of Sadharan Bima Corporation, M Lutfor Rahman, also spoke on the occasion.

Twenty senior executives from Sadharan Bima Corporation, insurance companies and Bangladesh Shipping Corporation participated in the course.

StanChart workshop on comprehensive banking ends

The two-day workshop on Comprehensive Banking organised by the Institutional Banking Division of Standard Chartered Bank ended in city Sunday.

The workshop was inaugurated by the Deputy Governor of Bangladesh Bank, Ibrahim Khaled, in the city on October 23, says a press release.

It was attended by officers from seven commercial banks.

In his speech, the deputy governor said that training was an opportunity for sharing knowledge and thanked Standard Chartered Bank for offering that opportunity to the participants of the workshop.

He elaborated on three aspects of training and emphasised that skills and cognitive aspects of training were successful while effective learning was yet to achieve a footing in the country.

Sethu Venkateswaran, Chief Executive Bangladesh of Standard Chartered Bank, said that Standard Chartered has always believed in the usefulness of training and encouraged collective learning.

The speakers at the workshop included Ziaul Haque Siddiqui, Executive Director of Bangladesh Bank; Ahmedul Haque, faculty member of BIMB; Ehsanul Haque, Chief Operating Officer of GSP Finance Bangladesh; and Yusuf Abdullah Harun, Chairman Southeast Bank and former president FBCCI.

China's foreign debt stands at \$149b

BEIJING, Oct 29: The Chinese State Administration of Foreign Exchange (SAFE) announced here today that by the end of June, the outstanding amount of China's registered foreign debt was 148.77 billion US dollars, an increase of 2.73 billion US dollars or 1.9 per cent over the end of last year, reports Xinhua.

Statistics released by the SAFE show that among the total foreign debt, 131.67 billion US dollars were medium and long-term, up 2.97 billion US dollars from the end of last year; while short-term debt was 17.1 billion US dollars, down 240 million US dollars.

In the first six months of this year, China borrowed new debt of 13.5 billion US dollars, and repaid principals of 12.19 billion US dollars.

The outstanding amount of China's sovereign debt was 42.97 billion US dollars, increasing by 3.2 per cent over the end of last year; the debt borrowed by domestic financial institutions was 41.96 billion US dollars, basically the same as the end of last year; the debt borrowed by foreign-funded enterprises was 47.13 billion US dollars, up 4.2 per cent; the debt of domestic enterprises was 14.96 billion US dollars.



Businessmen walk on a street during their lunch break in Tokyo on Friday. Japan's unemployment rate in September stood at 4.6 per cent, recovering for the second consecutive month after the rate reached a record high of 4.9 per cent in June and July. —AFP photo

BADC steps up its rabi seed distribution drive

The government, as part of its commitment to supply improved varieties of seeds to the farmers for quality agriculture production, has stepped up its drive for distribution of boro and wheat seeds throughout the country during the coming rabi season, reports BSS.

Bangladesh Agriculture Development Corporation (BADC) will directly distribute 7,200 tonnes of boro seeds belonging to different Ufshi varieties and 18,500 tonnes of wheat seeds from its regional as well as district and thana seed stores among the farmers during the rabi season of the 1999-2000 fiscal.

According to BADC sources here yesterday, issues like quality of seed variety and farming trends in divergent agro-ecological zones, previous seed distribution trends, demands in different regions and the state of

seed stock and availability would be duly considered during distribution of the seeds among the farmers on a first come, first served basis.

The selling price for boro seeds has been fixed at Tk 14 for each kilogramme of BRI paddy-29, BRI paddy-28, BRI paddy 26, BR-16, BR-14 and other Ufshi varieties. Each kg of wheat seeds including Kanchan, Akbar, Protibha and other Ufshi varieties will also be sold at Tk 14, the sources said.

The sources said that a balanced marketing network had already been developed through the seed dealers and the BADC throughout the country for smooth distribution and easy availability of these seeds, through steady supply from all seed stores.

The dealers will have to take

delivery of their allotted quantity of seeds on the stipulated dates and keep stocks ready for distribution among the farmers before the start of the rabi season.

According to the Fifth Five-Year Plan (1997-2002) document, only about 5 per cent of the total certified seed requirement is now being met from BADC source which needs to be raised to at least 10 per cent to meet the government's target for 25 million tonnes food production in the near future.

It was observed in the document that BADC seed wing would have to be strengthened and restructured and Bangladesh Agriculture Research Institute (BARI) should upgrade and strengthen research in order to render full support for augmenting breeder seeds of new variety.

Nooruddin tells Ctg seminar IT research building soon at Agargaon

CHITTAGONG, Oct 29: Minister for Science and Technology Nooruddin Khan yesterday said that the government had attached highest importance to the Information Technology (IT) in order to turn the vast educated youths it to competent human resources for boosting national economy, reports BSS.

Government has identified the IT as the most brightest potential sector and now it is indispensable to make a concerted endeavour to enrich a vibrant IT culture to cope with the challenges of the next millennium," the minister said this while inaugurating a two-day seminar at the Institute of the Engineers (IEB), Chittagong, centre.

The seminar on "Information Technology for National Development: Sharing Regional Experience" was organised by the IEB, Chittagong centre in collaboration with the Federation of Engineering Institutions of South and Central Asia (FEISCA).

Around 500 participants from India, Nepal are participating in the seminar.

Bid to boost trade with northeast India FBCCI for bridge across Kushiara

SHILCHAR (Assam), Oct 29: FBCCI proposed for a bridge across the frontier-river Kushiara connecting Bangladesh and India and a consulate general office here to expedite trade with India's northeast, reports UNB.

The proposal was mooted at a joint convention of the FBCCI leaders with Shilchar Chamber of Commerce at Hotel Indranastha in the valley town on Wednesday.

The convention took place on the FBCCI delegation's way back to Dhaka from Mizoram where the business leaders made a hectic five-day tour trying to speed up trade with the northeastern Indian state.

It was addressed by FBCCI President Abdul Awal Mintoo, Vice President MA Mumin, Director Selima Ahmad, Shilchar Chamber President Paron Chakwarty and General Secretary Angshu Kumar Roy.

The Kushiara bridge connecting Kokrajhar of Sylhet and Karimganj in Assam will establish direct road communications between Bangladesh and India which the local businessmen observed as a great catalyst for bilateral trade.

The businesspeople also said the consulate general office of Bangladesh at Shilchar would be a plus in boosting business between Dhaka and Delhi as the town is a junction on roads to and from Manipur, Nagaland,

Speaking as the chief guest, the minister gave a brief resume about the government extensive measures for flourishing the computer technology and said that the works for information technology village over 47 acres of land at Mohakhali was progressing while a high-tech park over 250 acres of land at Kaliakair of Gazipur was under process.

In addition to that, the minister said, a sixteen-storey building will be constructed soon at Agargaon for research on IT. He further said that the government had also made import of computer tax-free for broadening the use of computer.

Dr Jamilur Reza Chowdhury, a national IT personality presented the key-note paper in which he projected a global picture of the comparative usage of IT and put forward a considerable number of recommendations for development of Bangladesh IT sector.

Around 500 participants from India, Nepal are participating in the seminar.

ADB okays loans for job training in Lanka, PNG

MANILA, Oct 29: The Asian Development Bank (ADB) has approved loans totalling \$8.8 million dollars for job skills training in Sri Lanka and Papua New Guinea, a bank statement said today, reports AFP.

Of the total, 20 million dollars will go to Papua New Guinea, which faces a major labour crisis by the year 2004, when its limited number of technical colleges and vocational schools would not be able to absorb some 50,000 students a year.

Sri Lanka will receive 18.8 million dollars to help prepare 100,000 young people for jobs in various sectors, ADB said. Unemployment is high in Sri Lanka, where 85 per cent of the jobs come from rural areas and over half are female. Seventy per cent of current vocational centers provide training in low level skills that have little relevance to the labour market, ADB said.

Both loans are payable in 32 years, including a grace period of eight years.

Manila shifts PAL policy

MANILA, Oct 29: President Joseph Estrada, whose administration has tried to protect ailing Philippine Airlines by restricting Taiwanese carriers, announced a shift in policy Friday, saying PAL needs to do more to improve its competitiveness, reports AP.

"I will now advise Philippine Airlines to shed off its preference for protectionism and to strengthen itself for competition," Estrada said. Earlier this year, PAL urged the government to scrap a 1996 aviation agreement with Taiwan, claiming Taiwanese airlines were carrying more than their allotted passenger quota and poaching passengers from PAL.

The Philippine government scrapped the pact on Sept 30, cutting air links with Taiwan, after the two governments failed to reach agreement on a new accord.

Philippine negotiator insisted in the negotiations that Taiwan's China Airlines and Eva Air be limited to no more than a total of 3,000 passengers per week between Taipei and Manila. The limitation would have forced some passengers to fly on PAL instead.

Taiwan said its airlines need at least 6,500 passengers per week to operate without a loss on the route. The scrapped air agreement allowed each country 9,600 passenger seats a week.

The loss of commercial air links has hurt the Philippines because of a drop in Taiwanese tourists and inconvenience for the estimated 120,000 Filipinos who work in Taiwan, mostly as maids and factory workers.

This week, Philippine officials said they are willing to allow a resumption of commercial flights, even before a new aviation agreement is reached.

US, Japan lock horns over anti-dumping rules

WASHINGTON, Oct 29: The war of words between the US and Japan has already started with Tokyo demanding lifting of the anti-dumping laws and Washington saying it would oppose even a discussion on it at the WTO ministerial meeting at Seattle next month, the Washington Post said, reports PTI.

Japan's Minister for International Trade and Industry Takashi Fukaya said in a statement that the US anti-dumping actions against Japanese steel appear driven not by a desire to eliminate injury to US producers but by

projectionist intentions of that country's industry and government aimed at excluding a substantial portion of all steel imports from the US market.

On the other hand, US under Secretary of Commerce for International Trade David Aaron retorted that Japan is the greatest dumping country in the world, the daily said.

Japan, he charged, is trying to change rules that it repeatedly violates. Japan wants to paralyze the Seattle meeting by introducing an issue that the US considers to be a non-starter.

Japan has formally com-

plained to the WTO against the US for its anti-dumping actions. US negotiators have said they would oppose even a discussion of its anti-dumping practices at Seattle.

The demand to put up anti-dumping rules on the agenda, the post noted, is backed by India, Thailand and several other developing countries.

Dumping is the sale of goods in a foreign country at prices below the cost of production or the price in the home country.

The dispute over anti-dumping, said the post, is one of many in the manoeuvring before the Seattle meeting.



Ibrahim Khaled, Deputy Governor of Bangladesh Bank, addresses the participants of the workshop on comprehensive banking on Saturday. Sethu Venkateswaran, Chief Executive Bangladesh of Standard Chartered Bank, is also seen in the picture. — Unintrend photo

Move to allow foreign, pvt investment in sector India presents insurance bill to parliament

NEW DELHI, Oct 29: India yesterday pressed on with economic reforms, launching in parliament long-awaited bills designed to open the state-run insurance sector to foreign and private investment and to permit trading in derivatives, reports Reuters.

Finance Minister Yashwant Sinha presented the key bills to lawmakers just weeks after Prime Minister Atal Behari Vajpayee took office at the head of a new coalition government led by his Hindu nationalist party.

The bills must secure parliamentary approval to become law.

But over 200,000 employees of state-run insurance firms said they will strike on Friday in protest against the bills in introduction in parliament, domestic news agencies reported.

However, leading trade and

business bodies have welcomed the introduction of the bill.

"The introduction of and passage of the bill would be a catalyst in accelerating the process of reforms in the financial sector," the Confederation of Indian Industry (CII), a leading business chamber said in a statement.

Vajpayee's Bharatiya Janata Party (BJP) and the main opposition Congress have vowed to carry forward economic reforms.

Sinha said he was confident parliament would approve the bill insurance reforms since there was considerable consensus on it, and only a small section of lawmakers opposed it.

Sinha was speaking to reporters after introducing the bills.

The insurance bill limits to 26 per cent a foreign company's aggregate holding of equity

shares in a joint venture with an Indian firm and sets strict solvency norms.

It is similar to the legislation presented in parliament in December 1998 which lawmakers could not take up because the government fell in a trust vote, prompting snap elections.

Sinha ran into stiff opposition from deputies of left and regional parties who delayed the bill's introduction by making a din, and then walking out of the lower house.

"The government wants to sell out this country," said Basudeb Acharya, a deputy of the Communist party of India (Marxist), while another communist party lawmaker presented to the house a petition signed by insurance workers opposing the move.

Sinha denied the opposition charges.