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The Daily Star BUSINESS

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Shippers express concern over Mongla Port deadlock

Chairman of the Shippers' Council of Bangladesh Hasan Maniruzzaman has expressed deep concern over the deadlock in Mongla Port operation due to strike by casual shipping employees and their sympathizers for the last six days, reports UNB.

In a statement issued yesterday he said, export of frozen food, especially shrimp, jute and jute goods of the northern and western part of the country has been suffering badly due to the strike. He said frozen foods ready for export may become unfit for consumption due to the delay in shipping.

Hasan further said about 28 ships were waiting at the port for loading/unloading of export/import cargo and paying huge demurrage. The employees have threatened to continue the strike, which is bound to aggravate the situation.

He apprehended that due to the continuing deadlock at Mongla Port, will be avoided by foreign shipping lines, creating serious problem in movement of the foreign trade cargo of the shippers of this region.

The chairman urged the government and Mongla Port authority to take immediate steps to settle dispute with the striking employees in the interest of country's export.

Indonesian Bank Bali employees protest deal with StanChart

JAKARTA, Nov 15: About 500 employees of an Indonesian bank embroiled in a major corruption scandal demonstrated Monday against a management agreement with Britain's Standard Chartered Bank, reports AP.

Chanting "Reject Standard Chartered Bank" and "Please stop robbing Bank Bali," protesters said they chose the embassy because Standard Chartered is headquartered in London.

Bank Bali is the focus of a major corruption scandal that prompted international lending institutions to suspend their rescue programs for Indonesia's crisis-ridden economy.

It centered on the illicit transfer of the equivalent of about \$80 million from the bank to cronies of former President B J Habibie. An international audit report has implicated a number of senior officials, including two Cabinet ministers. In the scheme that was apparently aimed at funding Habibie's reelection campaign.

The former owner of Bank Bali, which was taken over by Indonesia's Bank Restructuring Agency (IBRA) along with a number of other bankrupt or insolvent banks, is under house arrest awaiting trial on charges related to the case.

Accord signed for SEC automation

Star Business Report
Totaltel Private Limited signed an agreement with the Securities and Exchange Commission (SEC) on Sunday for automation of the capital market regulatory body.

Under the agreement, Totaltel will provide local network (LAN) services at the SEC premises.

The system will include, among other accessories, HP servers, workstations and printers. The project is expected to be completed within two months.

SEC Executive Director Anwarul Kabir Bhuiyan and Member of Totaltel Management Board NG Gayen signed the agreement on behalf of their respective sides.

UAE minister opens Emirates' new corporate livery

General Sheikh Mohammad bin Rashid Al Maktoum, UAE's Defence Minister and the Crown Prince of Dubai, has inaugurated Emirates Airline's new corporate livery at a ceremony to mark the arrival of the airline's first Boeing 777-300, says a press release.

The ceremony took place on Sunday during the official opening of Dubai 2000.

"It was the first public showing of Emirates' new livery on the airline's first Boeing 777-300, which is the world's longest aircraft. This is Emirates' first change of corporate identity in the airline's 14-year history," it said.

The highlight was a visit to Emirates' Boeing 777-300 by Sheikh Mohammed, who was accompanied by Sheikh Ahmed bin Saad Al-Maktoum, Chairman of Emirates and President of the Dubai Department of Civil Aviation and Boeing's Seddik Belyamani, Executive Vice President, Sales and Marketing. Boeing's delegation also comprised Doug Grosche, Vice President (South Asia/Pacific, Africa and Middle East) and Paul Dubeck, Sales Director.

Biggest hurdle to Beijing's entry brushed aside US, China strike 'historic' WTO breakthrough deal

BEIJING, Nov 15: Chinese and US negotiators signed a breakthrough agreement Monday that removes trade barriers and clears the biggest hurdle to China's entry into the World Trade Organisation, reports AP.

US Trade Representative Charlene Barshefsky and China's foreign trade minister Shi Guangsheng signed the agreement. They then shook hands and were joined in a champagne toast by special economics adviser Gene Sperling and Long Yongtu, China's lead WTO negotiator.

The agreement came after six days of often grueling talks that at times appeared about to break down as the US team pressed China to open its relatively closed markets to American products and services.

Details of the agreement were not immediately available. Barshefsky was scheduled to leave the trade ministry where the signing ceremony took place and meet President Jiang Zemin immediately afterward at Zhongnanhai, the government headquarters.

In Ankara, Turkey, President Bill Clinton said the agreement was "a profoundly important step" in relations between Washington and Beijing and a boon for the global economy.

Barshefsky said the agreement was historic and that she and Shi agreed it would "help serve as an anchor" to relations.

China's Shi called it a win-win deal that is satisfactory to both sides, the state-run Xinhua News Agency reported.

"We are looking forward to the day of becoming a full member of the WTO, within the year," Shi said.

China now needs agreements with other key trading partners, particularly the European Union, to become a WTO member.

US demands included opening China's telecommunications and financial services sectors. Washington also wanted China to submit to quotas on textile shipments and anti-dumping measures to prevent surges in low-cost exports.

Xinhua reported the agreement included specific commitments on opening China's markets for services, industrial goods and agricultural products, but gave no specifics.

There has been concern that once trade ministers start negotiating new trade liberalisation measures they would be too busy to take up Beijing's entry for several years.

US businesses in China expressed immediate delight at news of a deal and predicted that US companies would invest more once China is bound by the WTO's trade rules. The deal would lead to increased trade that will benefit both countries, they added.

"Implementation of WTO standards will reduce many of the distribution and regulatory hardships that US businesses now face in China," said John Sullivan, vice chairman of the American Chamber of Commerce in China. "That means more growth potential for American companies and creation of more jobs back home."

An earlier report says: After six days of often grueling negotiations, US and Chinese negotiators were on the verge of signing a trade deal Monday to open China's market further to American goods and services, Chinese spokesmen said.

Trade Representative Charlene Barshefsky, the chief US negotiator in the high-pressure talks, was due to go to the Chinese leadership compound to meet President Jiang Zemin, a Chinese Foreign Ministry spokesman said.

Hu, Suojing, a spokesman for China's foreign trade ministry, said there would be a signing ceremony within the hour if there were no last-minute hitches.

World of a deal came after the longest negotiating session in six days of talks between US and Chinese officials. Barshefsky walked out of the Chinese trade ministry at noon after a 4-1-2 hour session looking somber and saying nothing to reporters waiting outside. She returned to the ministry in the afternoon, just after Hu announced that a deal was in the offing.

Barshefsky first met with

foreign trade Minister Shi Guangsheng and then with State Councillor Wu Yi, China's top politician overseeing its WTO bid. Barshefsky had been to the trade ministry three times Sunday, apparently trying to patch up a deal that had been close but then unraveled.

A market-opening agreement with the United States would remove a major hurdle in China's 13-year bid to join global trade's top rules-making body. China needs agreements with key trading partners, particularly the United States and the European Union, in order to become a member of the WTO.

Some Chinese officials and analysts recently have complained the United States is making too many demands.

Time is pressing because at month's end the WTO members will discuss launching new global trade liberalisation talks. If those talks start, trade ministers could be too busy negotiating to take up Beijing's entry for several years and China would have no say over any new rules governing world trade.

China's communist government has in recent months seemed divided over WTO, with reformers arguing that membership would push forward long-stalled economic reforms. Conservatives, however, fear that intensified global competition could overwhelm struggling state factories and inefficient farms, raising unemployment.

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HK shares up 2.6pc on Sino-US deal

HONG KONG, Nov 15: Hong Kong share prices soared 2.6 per cent Monday on a Sino-US agreement paving the way to China's entry to World Trade Organisation (WTO), dealers said, reports AP.

The market has a strong performance, with shares picking up on reports that China and United States have reached agreement on China's entry to WTO," said Howard Gorges, vice chairman of South China Brokers.

The key Hang Seng index gained 372.55 points to close at 14,562.22 on a turnover of 114.176 billion Hong Kong dollars (1.8 billion US).

The market opened strongly following strong performances in overseas markets with the key barometer gaining 265.17 points by the end of the morning session.

Anthony Mak, Vickers Ballas sales director, said the market appeared set for more gains judging from the influx of foreign funds that preceded the deal. Hong Kong was also likely to be supported by confidence that US interest rates will not rise again this year.

Mak said he sees the market

having a good chance of breaching 14,600 by the end of the month and reaching 16,000 by the end of the year.

The market closed nearly at the same time as the announcement was made that China and United States had signed the agreement that will pave the way for China's entry into the WTO.

The agreement ends 13 years of on-off negotiations, and came after a final push of six days of tough discussions led by US Trade Representative Charlene Barshefsky and China's chief WTO negotiator Shi Guangsheng.

Dealers said China's entry into the WTO will have major implications for Hong Kong.

"Hong Kong will get a re-rating because of severe competition from Shanghai in the long term," said Alex Tang, research director at Core Pacific-Yamaichi.

"However, there will be quite a tremendous benefits for Hong Kong in the short term," said Tang, citing an increase in exports and re-exports as well as possibility of Hong Kong firms entering into joint ventures with mainland companies.

Dealers said China's entry into the WTO will have major implications for Hong Kong.

First pvt asset management company gets approval

By M Shamsur Rahman

The Securities and Exchange Commission (SEC) yesterday okayed the first private asset management company paving the way for private mutual funds in the country.

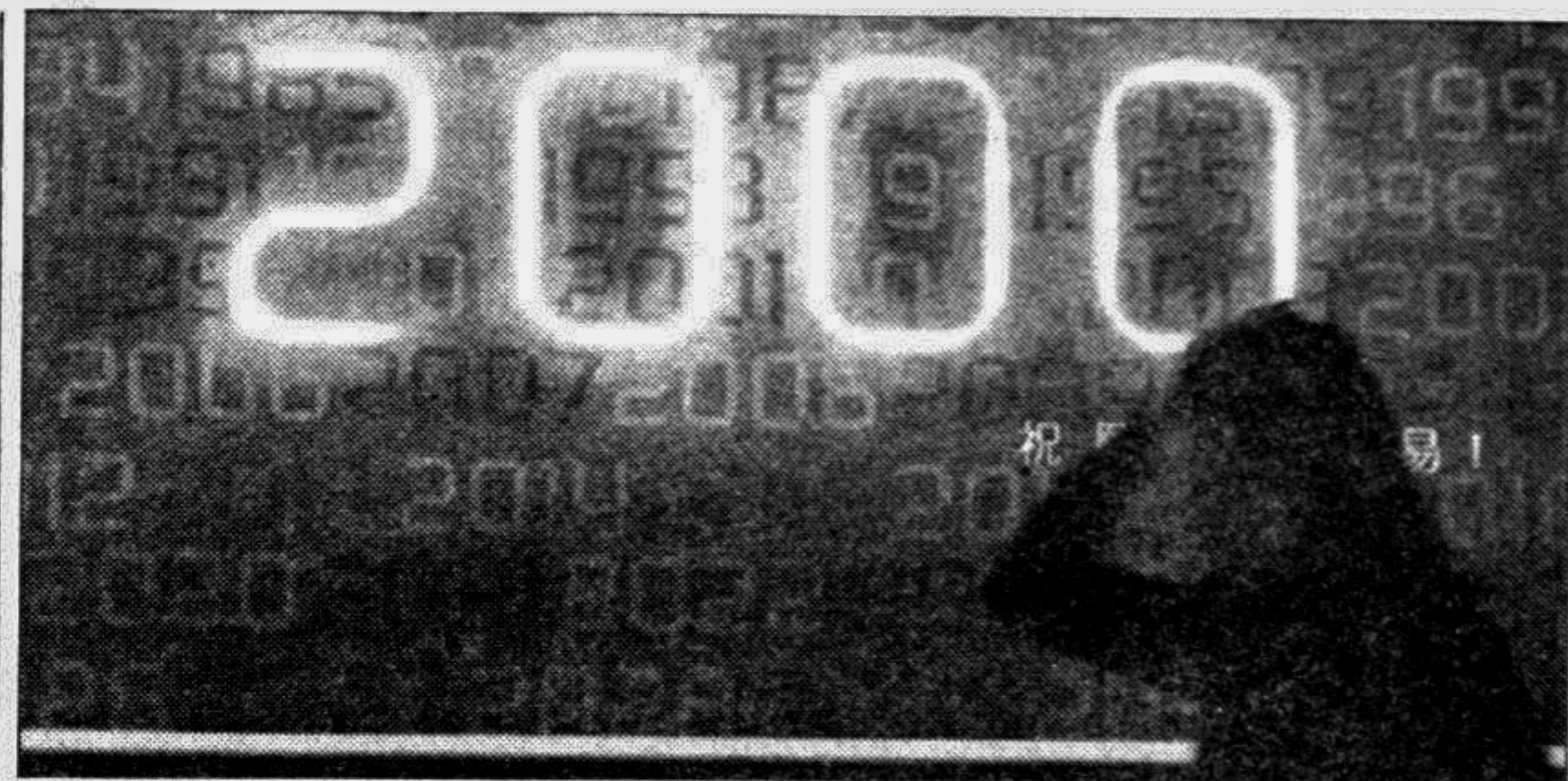
With the approval, the AIMS First Guaranteed Mutual Fund is expected to go public by the last week of this month.

Prior to the approval, which came at an emergency board meeting of the SEC, only the Investment Corporation of Bangladesh (ICB) had been acting as the sole asset management firm in Bangladesh.

Despite the promulgation of necessary rules some two years back, none had applied for floating private mutual funds, which is seen very crucial for reviving the stock market.

The Asian Development Bank (ADB), which is providing \$80 million grants for the capital market development, had reportedly threatened to delay the second tranche if SEC failed to bring in any private mutual fund by end of this year.

The Securities and Exchange Commission Mutual Fund



A woman walks past a billboard celebrating the coming year Monday in Hong Kong, where a mid-year survey of more than 3,000 companies showed nearly half are not prepared with a contingency plan for the Y2K computer problem. A big jump in interest rates before December could also dampen financial markets already grappling with the Y2K transition computer problem, according to the International Monetary Fund. — AFP photo

JS body for restructuring of specialised banks

Parliamentary Standing Committee on Finance Ministry yesterday emphasised overall restructuring of the specialised banks to bring dynamism in their services by raising managerial skill, reports UNB.

At a meeting held at the Sangsad Bhaban with committee chairman Prof Al Ashraf in the chair, the parliamentary watchdog also stressed the need for improving the bank-client relationship side by side the legal course to recover the outstanding loans.

The meeting discussed man-

agement, loan disbursement and recovery, and measures to recover classified loans of Bangladesh Krishi Bank (BKB), Bangladesh Shilpa Bank (BSB), Bangladesh Shilpa Rin Sangstha (BSRS), Rajshahi Krishi Unnayan Bank (RAKUB), Employment Bank, and Ansar-VDP Development Bank.

"We advised the banks to improve relationships with individual borrowers side by side filing loan cases in bankruptcy court, a time-consuming and expensive process," said a member of the Committee.

The meeting expressed deep concern over the magnitude of classified loans in two state-owned industrial finance institutions — BSB and BSRS — that posed serious liquidity problem.

It felt the need for strengthening monitoring and supervision by the Bangladesh Bank on local and foreign banks to put the country's banking system on a sound track.

The meeting expressed its satisfaction over the performance of Krishi bank and Ansar-VDP Bank.



SEC Executive Director Anwarul Kabir Bhuiyan and Member of Totaltel Management Board NG Gayen exchange the documents of the signed agreement on automation of the capital market watchdog Sunday. — Totaltel photo

Emirates in bid for smaller Boeing, Airbus aircraft

DUBAI, Nov 15: Emirates airline said Monday it was in the market for smaller planes for Gulf and Middle East destinations and would approach industry giants Airbus and Boeing at the Dubai airshow, reports AP.

"We will be talking soon with Airbus and Boeing to introduce smaller aircraft into the fleet," said the chairman of the Dubai

government-owned carrier, Sheikh Ahmad bin Said Al-Maktoum. He told reporters that the airline was looking for "not less than 120-seaters" and had an eye on the 737 built by the US company Boeing and the A320 or A319 of the European consortium Airbus Industrie.

"This is something we will talk with them from today," Sheikh Ahmad said on the second

day of the air show in this southern Gulf emirate.

The Emirates chief also announced that short-hop flights to Bahrain would start in two months, a route which the carrier has been trying to secure since it was founded in 1985.

"It will be competition" for the Manama-based Gulf Air "but we will also bring new business" to Bahrain, he said.

Bankruptcies down in Japan

TOKYO, Nov 15: Japanese corporate bankruptcies in October rose slightly from September, but were down 18.3 per cent from the year-earlier month, private credit research agency Teikoku Databank Ltd said Monday, reports AP.

The number of bankruptcies in October was 1,395, marking the 21st consecutive month of decline when compared with year-before levels, Teikoku said.



The newly-decorated Singer showroom-cum-sales centre was inaugurated at Gulshan in the city recently. Management committee members of Singer Bangladesh Limited paid a visit to the showroom after its inauguration.

EU wants talks with LDCs ahead of Seattle WTO meet Tofail for implementing past trade commitments first

Commerce and Industries Minister Tofail Ahmed said least-developed countries sought implementation of previous commitments before having new ones at the forthcoming WTO negotiations on global trade, reports UNB.

The LDCs are not against the new round of negotiations but first industrialized and higher developing countries should provide duty-free market access for LDC exportable, Tofail said.

He was talking to British Deputy High Commissioner Stephen Turner at his office here yesterday.

Tofail, as the coordinator for 48 LDCs will chair a meeting on November 29 prior to the planned Seattle meet to finalise the poor countries' collective stand on the WTO round.

free flow of manpower, withdrawal of non-tariff barriers will feature their common stand in the round.

The British envoy called on the Commerce Minister to apprise him of the stands of the European union as well as the agenda of the trade talks.

Tofail said besides duty-free market access, the LDCs have three more points to raise in the Seattle Ministerial meeting.

"We don't allow labour-standard issue to be included in the new round because it was settled in the first WTO Ministerial stand in 1996 that labour standards would be dealt by ILO," he said.

Tofail said LDCs were not interested in any negotiations entwining trade with environment, society and ecology. "Be-

cause, we understand that all these new issues are barriers to free trade, leading to further marginalization of LDCs."

He said they would demand declaration of free movement of labour.

The British diplomat, stating EU's position about new round, said EU was discussing with the WTO members the launch of a "comprehensive trade round" where all the issues, including built-in agenda, would be negotiated.

In this process, he said, EU wants dialogue with LDCs especially with Bangladesh leader as the coordinator and spokesman for LDCs.

He said the EU, including UK, had absolutely committed to providing market access to LDCs as it supports the LDC stands at every forum.

The EU is also in favour of strengthening capacity building of LDCs. It is also pursuing expanding the debt-relief programme for LDC.

Appreciating highly the EU's all-through support to the causes of LDCs, the minister said the proposal for duty-free market access in the first WTO ministerial meeting was first supported by the Europeans.

"We are overloaded by the commitments and promises. So, in time, we want implementation of the earlier commitments before being tied to new commitments," he told the envoy.

"Allow us duty-free market access to improve our economy so that our social and environmental standards could reach the levels of industrialised countries," Tofail urged the UK envoy.

Dollar range-bound ahead of US rate decision

LONDON, Nov 15: The dollar was trading in a tight range against other major currencies on Monday ahead of a key meeting of US monetary authorities to set interest rates on Tuesday, reports AP.

The dollar slipped slightly to 104.97 yen from 105.33 on Friday evening, while the euro was buying 1.0311 dollars from 1.0318 on Friday.

All eyes are now trained on the US Federal Open Market Committee, which will take a decision on interest rates on Tuesday. The latest economic data has reduced the likelihood of a rate hike, as they have indicated that the US economy is still growing healthily with few inflation risks.

"Investors are waiting for the results of the FOMC meeting," said ABN Amro currency analyst Jesper Dannesboe. "Whatever they decide to do, the key thing for the dollar will be the way the US asset market re-

Call for giving uPVC priority in construction

Unplasticised polyvinyl chloride (uPVC) manufacturers yesterday said uPVC should get priority as a construction material considering its hygienic and environmental aspects, reports BBS.

The uPVC pipes are recyclable, light smooth, cheap and very easy to install. The pipes have 50 years durability and are totally rust free, executives of the National Polymer Industries (NPI) claimed before a group of Public Works Department engineers in city yesterday.

Comparing properties of GI, CI and asbestos pipes with uPVC, the NPI engineers said, traditional materials such as steel, cast iron and asbestos suffer from problems of corrosion, health hazards, cost, transportation breakage and a short and uncertain life span.

The presentation on uPVC took place at the annual conference of additional chief engineers, superintendent engineers and executive engineers of the Public Works Department at PWD Bhaban.