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Pakistan to take up textile quota issue at WTO

ISLAMABAD, Nov 25: Pakistan will take up the issue of textile quotas at the WTO meeting, the country's commerce minister said today, reports AFP.

"Our main concern is that WTO does not imperil our long-term economic interests," Abdul Razak Dawood told the official Associated Press of Pakistan.

The World Trade Organisation gathers in Seattle next week for a key ministerial meeting to prepare for a new round of international trade negotiations. The major areas of concern are agriculture, industry, intellectual property rights, anti-dumping, "Dawood said.

Pakistan will take up the issue of quota restrictions imposed on some countries, particularly the United States, on its textile exports, he said.

Developing countries would meet ahead of the ministerial session to form a strategy to protect their interests, he said. Dawood leaves for the United States on Friday.

He said Pakistan's new military regime, which took power in a coup last month, was also working to revive the nation's sickly economy.

"The government is attaching top-most priority to boost the country's stagnant exports and arrest the burgeoning trade gap to revive the economy," he said.

Chief economist of WB to quit at year-end

WASHINGTON, Nov 25: The World Bank's chief economist Joseph Stiglitz is to quit at the end of the year to return to teaching, the World Bank announced yesterday, says AFP.

Former economic advisor to the White House, Stiglitz joined the World Bank in 1997 as chief economist and senior vice president.

His comments and off times outspoken criticisms of the Bretton Woods institutions — the World Bank and International Monetary Fund (IMF) — have regularly placed him at odds with colleagues and the institutions themselves.

A damning Washington Post editorial recently characterized him as "the economist's version of a bull in a china shop."

Stiglitz is to remain as special advisor to World Bank president James Wolfensohn and will lead the committee to choose his successor, according to the bank's director of communications, Caroline Anstey.

Day-long workshop on bakery industry hygiene held in Sylhet

A day-long training workshop on health and hygiene jointly organised by JOBS — a USAID-funded project, CIDA and Sylhet Chamber of Commerce and Industry for the bakery industry entrepreneurs was held in Sylhet recently, says a JOBS press release.

Safwan A Chowdhury, the president of Sylhet Chamber of Commerce and Industry, inaugurated the training programme. In his speech, he described the different activities undertaken by the Chamber to develop human resource for creating permanent employment and boosting the economy of the country.

He also said that the prospect of exporting bakery products to the European and US markets was very high.

JOBS representative Abuhena Md Li Bhuiyan, Assistant Manager, SME, described the key activities of JOBS in developing the bakery sector in Bangladesh. He also mentioned the objective of JOBS in the long run and asked the participants to exchange their views and come up with creative ideas to improve the industry.

Faisal Saad, JOBS Assistant Manager was also present in the training programme.

Team leader and lead trainer, Dr Iqbal Aminul Kabir from Training Task Group Bangladesh (TTGB), and Dr Mostafizur Rahman, Chief bacteriologist from the Institute of Public Health, took the training sessions. Three panel discussions — Dr Raj Golpal Basak, Civil Surgeon, Dr Sibbi Ahmed, head of Sylhet Medicine Department and Dr Suddhoy Mojumdar, medical officer, Sylhet — were present to respond to the queries of the participants and provided necessary advice to change the current scenario of the bakery sector in Bangladesh.

Fifteen entrepreneurs participated in the training program. Abdul Awal Minto, President of the Federation of Bangladesh Chamber of Commerce and Industry (FBCCI), was present at the chief guest while MA Mumin, Vice President of FBCCI, was present as the special guest.

The FBCCI chief praised JOBS, CIDA and Sylhet Chamber of Commerce and Industry for organising the training programme for the bakery industry. He distributed certificates among participants in the closing ceremony.

Dhaka to bid for common LDC stand at WTO

Bangladesh will effort to forge a common stand of the Least Developed Countries (LDCs) at the World Trade Organisation (WTO) meeting scheduled to be held in Seattle on November 30, reports BSS.

The meeting intended to set the scope and timing for further trade liberalisation for the coming years, is likely to bring together top trade officials from 135 countries.

The upcoming Seattle round has triggered widespread speculations among the country's trade pundits who place emphasis on Dhaka's strong role at the meeting to uphold the interest of the poor nations.

Meanwhile, Bangladesh, the spokesperson of the LDCs, has taken preparations to work out

a common stand following widespread apprehension that the poor nations are likely to be less benefited from the "rich club" negotiations, diplomatic circles said in the city.

"Bangladesh, along with other LDCs will seek implementation of the previous commitments made by WTO members at the Uruguay Round and at subsequent WTO ministerial meetings," Commerce and Industries Minister Tofail Ahmed, who is leaving for Seattle today, told BSS in an exclusive interview.

"Their commitments and promises overladen. This time we want implementation of the earlier commitments before being tied to new ones," he said.

Tofail, as the coordinator of

48 LDCs, will chair a meeting of the poor nations on November 29 hours before the Seattle meeting to hammer out collective stand of the nations.

Illustrating the common stand Dhaka would try to reach, the minister said that duty-free access of products from the LDCs to the markets of the developed countries, free flow of manpower and withdrawal of non-tariff barriers would provide the bedrock of the stand.

The minister said special treatment to LDCs for market access, trade capacity-building, technical assistance and free movement of manpower around the globe would also feature high on the agenda Bangladesh would push for.

"We won't allow inclusion of the labour-standard issue in the new round because it was settled at the first WTO Ministerial Meeting in 1996 that labour standards would be dealt by ILO," he said.

The minister said that LDCs were not treated in any negotiations entwining trade with environment, society and ecology.

"We were denied a vote on the negotiations as all these issues are barriers to free trade leading to further marginalisation of LDCs," the minister stressed.

Explaining the Bangladesh stand, the minister said: "In fact we are not against the issues of environment, labour standard, eco-labeling and social clauses."

"But, allow us duty-free market access to improve our economies so that our social and environmental standards could reach the levels of the industrialised countries," the minister said.

Meanwhile, US Secretary of State Madeleine Albright, Secretary of Labour Alexis M Herman and US Trade Representative Charlene Barshefsky have extended their support to Tofail.

Their sentiment was communicated to the minister, the voice of the poor nations, by US Ambassador John C Holzman.

Meanwhile, noted economist Prof. Muzaffer Ahmed accused the government and trade leaders of sitting on their hands ahead of the negotiations.

"The government and chamber leaders did not take enough preparatory steps before entering into further negotiations," he said.

"The negotiations invariably favour northern corporate interests, and we, the LDCs, are less prepared to reap benefits from the developed countries due to lack of adequate homework," he told BSS.

Former Commerce Minister M Shamsul Islam in an interview with the news agency said all irrespective of political affiliations were united to strengthen Bangladesh's leadership in persuading the developed countries for implementing their previous commitments at WTO meetings.

"But we are not playing any important role, the leader of the LDCs," he alleged.

Pre-WTO Meet Analysis

Nod to trade-labour linkage will be suicidal for LDCs

By Inam Ahmed

The 134 member states of the World Trade Organisation (WTO) are due to meet in Seattle from November 30 through December 3 for the 3rd Ministerial Conference. Unlike the previous one — the Singapore Conference — the Seattle meeting is not a routine conference as it will define the agenda for multilateral trade negotiations and thus influence the course of future global trading system.

The developed countries, as represented by the G-7, are going to Seattle fully prepared. Seasoned players such as the United States are sparing no efforts to ensure that the outcome of the meeting is in line with their expectations. Their moves are based on carefully-prepared position papers by specialised think tanks.

On the other hand, a very few developing countries have systematically studied the contents and implications of either the built-in agenda or the issues which are likely to come up for discussion in the meeting at the behest of the developed coun-

tries. For example, there is little doubt that the proposals for a connection between market access, labour and environmental standards, if accepted, will benefit the developed countries and hurt the developing ones.

Similarly, in the area of competition policy, the developing countries have been asking for a multilateral code, but the developed countries want inclusion of the competition policy in WTO agenda. In the area of investments, the proposal, as it stands now, is disproportionately in favour of the developed countries. Even those developing nations, which have a few experts who can tackle the built-in agenda and the new items, will find such issues as very complicated.

The predicament of the LDCs will, therefore, be to bid for limiting the Seattle meeting agenda to the built-in items only. Whatever be the ultimate position in this regard, it will be suicidal for the LDCs to agree to linking of labour standards with trade liberalisation under the

auspices of WTO. In fact, it is essential that the Singapore Declaration should stand, leaving labour-related issues to the International Labour Organisation (ILO).

Bangladesh, which will act as the spokesperson of the LDCs at the meeting, endeavoured to prepare itself thanks to the concerted efforts of the Commerce and Industries Minister Tofail Ahmed, who worked hard to have extensive discussions on the built-in agenda and other issues.

The remarkable feature is the inclusion of private sector representatives in the Bangladesh delegation. Unlike most of the LDCs, Bangladesh involved the private sector in the preparatory meetings. Now with the induction of the presidents of leading chambers and knowledgeable functionaries in the private sector like the Secretary-general of the MCCI, the delegation will enjoy relatively extra bargaining advantages at the negotiations.



The inauguration ceremony of American Express Bank's new Gulshan office on Tuesday. — Amex photo

exchange rates

Following are yesterday's Standard Chartered Bank rates of major currencies against Taka.

Central Bank USD/BDT Rate: Buying-BDT 49.35/Selling-BDT 49.65

TT/OD	BC	Currency	Buying		
			TT Clean	OD Sight	OD Transfer
49.7300	49.7700	USD	49.3200	49.1566	49.0707
0.4911	0.4915	JPY	0.4595	0.4580	0.4572
31.9889	32.0147	CHF	31.1089	31.0058	30.8932
30.6073	30.5319	SGD	28.8236	28.7280	28.6779
34.8762	34.9043	CAD	32.7403	32.6318	32.5101
5.9258	5.9306	SEK	5.8180	5.7987	5.7866
32.4588	32.4849	AUD	29.7005	29.6021	29.4032
13.2278	13.2385	MYR	12.8421	12.7995	12.7672
6.4501	6.4553	HKD	6.2980	6.2772	6.2638
13.3690	13.3798	SAR	13.0455	13.0023	12.9693
13.6520	13.6629	AED	13.3186	13.2744	13.2405
0.0431	0.0431	KRW	0.0423	0.0422	0.0421
80.8958	80.9609	GBP	78.7246	78.4637	78.1794
51.4755	51.5169	EUR	49.5222	49.3581	49.2719

Usance Export Bills

TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
49.2183	48.9146	48.5093	48.0431	47.5364	46.4013

Exchange rates of some Asian currencies against US dollar

Indian Rupee	Pak Rupee	Thai Baht	Mal. Ringgit	Indo. Rupiah	Sing. Dollar
43.30	51.87	38.75	3.7995/05	7110/	1.6701/
43.45	51.90	38.80		7140	1.6711

Market Commentary

On Thursday, the interbank market was a bit quiet to the strike called by the opposition, and the call rate ranged between 6 and 7 per cent.

In the international market, euro reached its life-time low of 106.20 against yen and remained shaky amid concerns over the eurozone outlook. On the other hand, the common currency was also in a tight range against dollar.

At 1635 hours local time, dollar traded at 104.45/50 against JPY. 1.0199/09 against euro and GBP at 1.6124/34 against dollar.

Weekly Ctg Tea Sale

Market witnesses less demand, lower rates

CHITTAGONG, Nov 25: The weekly tea sale held here Thursday witnessed less demand and lower rates for almost all grades of teas on offer, market sources said, reports BSS.

There was negligible buying by Pakistan and Afghanistan, while less support from CIS and Poland.

Internal buyers were also less strong with only the major buyer lending fair support. As a result, withdrawals were heavier.

Broken: Bold brokens once again met with limited interest. The large brokens were also slightly easier, but the better types were about steady. Medium smaller brokens were mostly an easier market, declining by Tk two to Tk. Three per kg, but a few neater eased

slightly by up to Tk one. The plainer types were much easier, particularly with the progress of sale when these declined by Tk four per kg and sometimes more.

Fanning: The better-liquoring fannings were about steady while all others declined by Tk one to Tk two following quality.

Green tea: 40 chests on offer met with fair demand at lower rates. Hyson realised Tk 90 per kg.

Dust: 560 chests and 1,565 gunny sacks on offer met with good demand. The better-liquoring types were generally a bit dearer by up to Tk two following competition. Others were mostly firm following quality.

There were 11,058 chests and 14,048 sacks of teas on offer.

US bans Indian bidi for alleged use of child labour

WASHINGTON, Nov 25: A particular brand of 'bidi', imported from India, has been banned in the US for the alleged use of child labour in the industry, reports PTI.

US Customs Commissioner Ray Kelly announced yesterday to immediately put a detention order on bidi consignment sent by Mangalore-based 'Ganesh Bids' after watching a CBS film which reportedly said that these were rolled by children sold into servitude by poor families.

A detention order prevents a product from being marketed in the US.

The bids are said to be increasingly popular among youth in the US, particularly because these are cheap and are fruit or chocolate flavoured.

The TV tapes showed alleged bonded labour in the industry in Tamil Nadu and the charge was reportedly confirmed by an union government official, who has been crusading against the practice, as well as by the children themselves.



Abdul Awal Minto, President of FBCCI, distributes certificates among the bakery producers who participated in a workshop on health and hygiene at Sylhet recently. Vice President of FBCCI MA Mumin, Sylhet Chamber of Commerce and Industry President Safwan Chowdhury, Abuhena Md Li Bhuiyan and Faisal Sayeed, Assistant Managers, JOBS Program, are also seen in the picture. — JOB photo

ASEAN sets sight on E Asia common market, currency

MANILA, Nov 25: Leaders in Southeast Asia are working toward an East Asian common market which will include Japan, China and both Korea and later a regional currency, Philippine Foreign Secretary Domingo Siazon said today, reports Reuters.

The Philippines hosts a summit meeting of the 10-member Association of South East Asian Nations (ASEAN) this weekend at which the leaders of China, Japan and South Korea will also be present.

Substantial progress toward more economic cooperation and eliminating trade barriers in the region is expected.

"I see we will be having first an ASEAN common market, (then) an East Asia free trade area, an East Asia common market, an East Asia currency, it is just inevitable," Siazon told Reuters Television.

"I think you will see this number expanding not only to China, South Korea and Japan but perhaps in the near future to North Korea. Maybe Mongolia might wish to join," Siazon said he could not give a timeframe when these developments would happen.

ASEAN includes Brunei, Cambodia, Laos, Indonesia, Malaysia, Myanmar, the

Philippines, Singapore, Thailand and Vietnam and it is for the first time that all 10 nations will meet in a summit. Cambodia was formally admitted only earlier this year.

Reclusive North Korea is likely to take the first step toward more regional integration by joining the ASEAN Regional Forum, and security grouping which includes the United States, Russia and countries in East Asia, Siazon said.

While no overtures have yet been received from Pyongyang, he said the door was open for North Korea to join the forum.

Siazon said Japan was the linchpin of the regional cooperation initiative.

"Japan since 1997 has committed \$82 billion to East Asia," he said. "This is mind-boggling, especially if you look at it in terms of what the IMF has provided or the World Bank. It is effect is the major partner as far as East Asia is concerned."

Officials in Tokyo have said Japan would announce a fresh programme at the summit to help Southeast Asian nations get more technological training, a key thrust in an effort to build regional competitiveness in information technology industries.

This is viewed as key to helping ASEAN maintain the economic resurgence over the past year and re-invent the booming growth of the years before the 1997/98 financial crisis.

Siazon said the region, and particularly the Philippines, would welcome more Japanese involvement in their economies.

Another AP report adds: Southeast Asian finance ministers declared Friday that the Asian crisis is over, but raised fears that economic snags in the United States and Japan could plug the plug on the region's recovery, and send the world economy into a tailspin.

"I believe that we're out of the Asian crisis," Philippines Finance Minister Edgardo Espiritu said. "But two major economies suffering an economic slowdown would affect the entire world."

They issued a joint statement saying regional economic performance has improved enormously since their last meeting in March in Hanoi. The region is expected as a whole to grow by 2 per cent to 3 per cent this year, compared with a 7 per cent contraction in 1998 during the low point of the Asian financial crisis.

Prospects 'bleak' for full new trade round India to resist trade-labour link at Seattle meet

NEW DELHI, Nov 25: The cabinet yesterday agreed that at next week's ministerial meeting of the World Trade Organisation (WTO) India should reject outright a move to link trade to labour and environment standards, reports Reuters.

The bottom line at Seattle will be to protect India's interests at all costs," Commerce and Industry Minister Muralidharan told reporters after the cabinet meeting.

Ministers agreed that India should adopt a flexible stance on industrial tariffs and electronic commerce.

Trade Ministers from 135 countries will meet at Seattle in the United States from November 30 to December 3 to try to shape a new global trade round.

Diplomats meeting in Geneva admitted earlier this week they had failed to produce a blueprint for an accord because of deadlock on agriculture and on demands from developing countries for more time to put existing accords into effect.

India will fight against inclusion of new issues and launch of a new round of negotiations to reduce industrial tariffs, a senior official in the Prime Minister's Office, who

did not want to be named, said.

"Non trade-related issues are something that India will steadfastly resist. Such issues which come up for protectionist purposes are something that we are certainly going to resist."

In addition to labour and environment standards, he said, India will oppose attempts by the developed world — mainly the United States and European Union — to include competition and coherence policies in the Millennium Round of discussion.

At a meeting of political parties of the ruling Bharatiya Janata Party-led coalition earlier in the day, however, the government made it clear that it was in favour of a flexible approach on certain issues and sectors.

In a background note, a copy of which was obtained by Reuters, the Commerce Ministry said a flexible approach on liberalising its information technology (IT) industry could be used as a bargaining tool against demands for fresh talks on lowering industrial tariffs.

Meanwhile, another report from Geneva says: World Trade

Organisation (WTO) Director-General Mike Moore headed for Seattle yesterday hoping to marshal ministers meeting there next week into agreeing on launching a new trade round.

But although the former New Zealand prime minister exuded optimism despite the failure of negotiators in Geneva to prepare solid ground for the gathering, diplomats and trade analysts in Geneva were downbeat on the likely outcome.

"It's going to be an almighty task, and I wouldn't put the chances at more than 40-60 at best that we will get anything really substantive at the Ministerial," said one envoy due to take part in the meeting.

Developing countries, which form the vast bulk of the WTO membership, are furious that richer countries seem unready to take their problems with earlier trade accords into account.

There were strong indications of mounting bitterness between the United States and the European Union, the two top global trade powers whose cooperation will be vital for any major achievement in Seattle.

Amex inaugurates Gulshan office

American Express (Amex) Bank formally inaugurated its new Gulshan office in the city on Tuesday, says a press release.

Lachlan Hough, Managing Director for Asia Pacific and the subcontinent of American Express Bank who was the chief guest at the inauguration ceremony, commented that the spacious new building, which also houses American Express Travel Related Services, was a demonstration of the long-term commitment of American Express to Bangladesh.

The office was jointly declared open by Hough and Kazi A I Jaffery of American Express Travel Related Services. John A Smetanka, Senior Country Executive of American Express Bank in Bangladesh, also spoke at the opening ceremony.

The new Gulshan office is part of the continuing service enhancement strategy of American Express Bank in Bangladesh. The bank also opened a new full service branch in Dharmondi and a new office at DDB Bhaban, Agargaon in the city this year.

Trust Bank Ltd to be launched November 29

A private, commercial bank — The Trust Bank Ltd — is going to be launched in the city by the Army Welfare Trust (Sena Kalyan Sangstha), reports UNB.

Prime Minister Sheikh Hasina is expected to inaugurate the bank at Dhaka Cantonment on November 29, officials of the bank told newsmen in Dhaka Monday.

A Board of Directors comprising army officials will run the bank headquartered at Dhaka Cantonment. The Army Chief will be the ex-officio chairman of the Board.

The bank's principal branch at its head office will operate from the inaugural day, officials said.

Four more branches would be opened in the cantonments of Chittagong, Comilla and Bogra, and at Sena Kalyan Bhaban in Motijheel by December 31 next. It plans to open 60 branches in three years.

The bank, with an authorised capital of Tk 100 crore and a paid-up capital of Tk 40 crore, aims at augmenting employment of ex-army personnel and welfare of both in-service and retired army men.

BKB to disburse Tk 19.70cr in Netrakona

NETRAKONA, Nov 25: Bangladesh Krishi Bank (BKB), Netrakona region, has taken up a programme to disburse Taka 19 crore 70 lakh as agricultural loan among the farmers of ten upazilas under Netrakona district in the current fiscal year, says BSS.

According to official sources, BKB will disburse the loan as per directives of the government to enable the farmers to purchase livestock, fertiliser, insecticides and other agricultural and irrigation equipment.

Oil prices up as US stock tumbles

LONDON, Nov 25: Oil prices sprinted back towards nine-year highs yesterday as a sharp fall in US oil stockpiles heightened pre-winter supply worries after Iraq's export stoppage, reports Reuters.

Benchmark Brent crude in London shot up another 70 cents to a high on the day of \$25.85 a barrel, just five cents below a post-Gulf crisis peak of \$25.90 struck on Monday.

The January contract settled up 46 cents at \$25.61 by the end of the trading day.

Renewed falls in US oil inventories breathed new life into the long rally, further cutting the cushion of spare oil in the world's biggest consumer.

Heating oil suffered a particularly sharp stock drain of nearly 3.5 million barrels, said the American Petroleum Institute, as demand quickened ahead of the northern hemisphere winter.