

**SANYO** Japan  
FAMILY SIZE MICROWAVE OVEN  
35.9 & 27.1 LITRE OVEN CAPACITY



Transfin Trading Ltd.  
Tel : 815307-10, Fax : 813062

# The Daily Star BUSINESS

DHAKA, SATURDAY, MARCH 4, 2000

**National Housing Finance & Investments Ltd.**  
Home Mortgage Loans available for:  
Construction of houses  
Purchase of houses or apartments  
Renovation or extensions to existing properties  
Purchase of housing plots in approved land developments

Telephone inquiries are welcome  
Chamber Building (6th Fl.), 122-124 Motiheel, Dhaka-1000  
Telephone: 955 9311-2, 955 3387, 955 3254 Fax: 955 8987

## Iftekhar takes over as key WTO body chief

GENEVA, Mar 3. Ambassador Iftekhar Ahmed Chowdhury of Bangladesh has stressed the need to review the trade policies of WTO member countries, says BSS.

Chowdhury felt the necessity after he assumed the Chairmanship of the Trade Policy Review Body (TPRB) yesterday. WTO general council elected ambassador Chowdhury to this post in February last.

He said that it was a matter of 'enormous satisfaction' that WTO is 'now back in business with Seattle behind it.'

He noted that trade policy reviews were important not only to ensure compliance with WTO rules but also to give transparency to member's policies.

"Such transparency would bring economic benefits to all," he observed.

The TPRB is currently reviewing Tanzanian trade policy. Tanzanian Minister of Trade Iddi Simba is leading his country's delegation to Geneva.

Ambassador Chowdhury lauded the level of preparation that the delegation took for the review and said that as a country Tanzania aroused interest to him for a long time.

## Bangla-China joint venture to set up 51 CNG filling stations

Fifty-one CNG filling stations will be set up in the country under a joint venture of Bangladesh and China involving \$14 million as part of measures to curb air pollution, says UNB.

Compressed Natural Gas Company Limited and Tianzi Company of the Chinese government signed an agreement to this effect in the city on Thursday. The Chinese company will bear 75 per cent of the total cost of this project.

Initially, 13 CNG filling stations will be set up in Dhaka by next December and 11 more by 2001. Rest 27 will be installed in different places of the country in phases.

Matters relating to the project were later discussed at a board meeting of Compressed Natural Gas Company limited, said an official handout.

Energy and Mineral Resources Secretary Dr Toufik-e-Elahi Chowdhury chaired the meeting attended by Forest and Environment Secretary Marghub Morshed and joint secretaries and deputy secretaries of different ministries.

Implementation of the project will play an important role in preventing air pollution and help save foreign currency spent on petroleum import, they said.

## US House-Senate accord on world communications satellite network

WASHINGTON, Mar 3: House and Senate negotiators have reached agreement on a measure to privatise the world communications satellite network, says AP.

The bill would also allow the US signatory to that network — Comsat — to merge with defence contractor Lockheed Martin Corp.

The accord filed in both chambers Thursday sets forth clear steps for the two intergovernmental satellite consortiums — Intelsat and Inmarsat — to follow on the road to privatisation. If they do not abide by these criteria, their access to the US market could be restricted.

The measure could potentially bring down long-distance calling rates for consumers by allowing US companies direct access to the global satellite consortium Intelsat. Those companies — mostly large telephone carriers and TV networks — would be able to bypass Comsat Corp in getting services from Intelsat.

This bill will end the cartel-like structure of Intelsat which unfairly raises consumers' international phone bills," said House Commerce Committee Chairman Tom Bliley. "It will also break down barriers that are preventing American companies from competing on a level playing field."

In return, Lockheed Martin Corp would get the go-ahead to complete its proposed deal with Comsat. The defence contractor purchased 49 per cent of Comsat early this fall, but could not acquire the rest of the company because of current Comsat ownership limits written into a 1962 law.

Comsat, based in Bethesda, Maryland, was chartered by Congress in 1962 to keep then-telephone monopoly AT and T from extending its control to international satellite communications. The ownership limits were put in place for the same reason. Once the law is rewritten, the companies will have to go back to regulators to get approval for the remainder of the deal.

# Jiban Bima Corporation plans massive expansion

Schemes designed to cover rural areas, poorer section of people

The state-run Jiban Bima Corporation plans massive expansion of its insurance business for important commercial as well as rural areas with policy schemes designed for poorer section of people also, reports UNB.

Officials at the JBC said the expansion plans would be implemented through opening new branch offices and employment of fresh agents and development officers.

To overcome its manpower shortages, the corporation has already sent a proposal to Commerce Ministry for filling in some 2,633 posts in different grades. The proposal is now under consideration of the government," said one source.

However, the appointment proposal is for its existing offices across the country. More officials have to be appointed for implementing the new plan of the life-insurance company.

The officials said Jiban Bima Corporation was being compelled to conduct its 360 extra-offices with the manpower it had in 1984 following the approval of the Enam Committee.

In 1984, the corporation had only 71 offices, including nine divisions at the head office, three policy service centres, four regional offices, two zonal offices, 19 sales offices and 34 branch offices.

But at the end of 1999, the

number of its corporate offices stood at 431. Those included nine divisions, two policy-service centres, six regional offices, 10 zonal offices, 61 sales offices and 343 branch offices.

The corporation has also taken a plan to set up computerised systems in all regional offices and more training for the concerned personnel for rapid service delivery.

The corporation had an income of Tk 165 crore in 1998. Besides, there is Tk 357 crore in deposits in the life fund of the JBC.

As Commerce Minister Abdul Jalil took stock of the corporation on Thursday, he was informed that its net incomes, profits and life-fund deposits

had been on the increase.

The corporation was launched in 1973 through merging Surma and Rupsa Jiban Bima Corporations. The two corporations were merged with 37 companies following nationalisation in the post-independence period.

Apart from individual and group policies, Jiban Bima Corporation has been working as re-insurer for two private insurance companies — Sandhani Life and Homeland Life.

Officials said another three companies — Padma Life, Rupali Life and Far East Life — had approached the state-corporation to be their re-insurer.



Finance Minister Shah A M S Kibria inaugurated the newly constructed Janata Bank Bhaban in Khulna on Wednesday. S A Chowdhury, Managing Director of the bank, presided over the inaugural ceremony.

# Majority of US Senators back deal with China

WASHINGTON, Mar 3: A majority of US Senators said they would support a breakthrough trade agreement with China despite concerns over Beijing's human rights record and threats to invade Taiwan, reports Reuters.

Fifty-two lawmakers in the 100-member Senate said in a Reuters poll that they would vote in favour of legislation granting China permanent trading privileges in the US market, just enough to ensure passage by a narrow margin. Four Senators said they were opposed; 42 said they were undecided.

It remains to be seen, however, whether the agreement would garner a 218-vote majority in the 435-member House of Representatives, though White House officials were optimistic in the face of stiff opposition from labour unions and other groups. It must clear both the House and Senate to become law.

"This is extremely encouraging and is an indication of broad support," Commerce Secretary William Daley said of the

Senate tally, conducted Feb. 21-March 1 after China's latest threat to attack Taiwan sparked a backlash from Taipei's congressional allies.

According to the poll, at least 15 Senators on the 20-member Senate Finance Committee would support the pact. The committee could be the first to take up the agreement. But many Senate supporters stressed that their votes could change if Beijing continued its sabre-rattling or took other measures.

Under the landmark trade agreement hammered out in 1999, China would open a wide range of markets, from agriculture to telecommunications.

In exchange, the White House says, the Republican-led Congress must grant China permanent normal trade relations (NTR) — a status Beijing is now granted only after an annual congressional review.

Permanent NTR would guarantee Chinese goods the same low-tariff access to US markets as products from nearly every

other nation.

Clinton has made the bill's passage his top legislative priority for his last year in office, and pro-trade business leaders have launched their biggest lobbying campaign since the 1993 North American Free Trade Agreement.

The trade deal is a crucial step for China to join the World Trade Organisation, though Beijing must still wrap up negotiations with the European Union and other WTO members to enter the Geneva-based body, which sets global trading rules.

Just last week Republican and Democratic leaders warned Clinton that permanent NTR for China was in peril in the Senate because of concerns about Taiwan's security.

Senate supporters also singled out Vice President Al Gore for attack, saying he set back permanent NTR by promising to add labour and environmental provisions to future pacts if elected president in November.

"Most of the Democrats that are on the fence are waiting for a clear signal from Al Gore,"

## Another US gas firm keen to invest in Bangladesh

As the government is keen to have more investors in energy sector, another gas sector leader of USA has shown interest in gas exploration in Bangladesh, says UNB.

Vice president of Burlington Resources Bangladesh Ltd Raymond L LaGarde Thursday called on executive chairman of Board of Investment (BOI) M Mokammel Haque to register his company's interest about Bangladesh's gas resources.

Burlington Resources, a Houston-based US company in gas sector, is the 3rd largest in the USA and one of the largest operators in gas transmission and distribution in the world.

The company is operating in Mexico, Ecuador, Venezuela, Algeria and in Indonesia.

The BOI executive chairman welcomed the US company and hoped that Burlington Resources can compete and be a level player in the field in Bangladesh.

He briefed Burlington Resources executive about the legal aspects and fiscal incentives offered by the government to protect the interests of the foreign investors.

## Indian finance minister defends income tax hike

NEW DELHI, Mar 3: India's Finance Minister Yashwant Sinha defended his new income tax hike Thursday, saying people had to "share the burden" of India's efforts to stave off Pakistani aggression in Kashmir, says AFP.

"Every one of us will have to share the heavy and unexpected burden of aggression from across the border," Sinha told the Press Trust of India.

"This is a difficult year particularly on account of the aggression India is facing."

In his budget presented to parliament on Tuesday, Sinha had slapped a five-per cent income tax surcharge on high salary earners to offset a substantial increase in defence expenditure.

# Japan's Oct-Dec GDP seen lower

TOKYO, Mar 3: Japan's economy technically slipped into recession in the latter half of last year, dragged down by a protracted slump in consumption, but the recovery has not been derailed, economists said, reports Reuters.

All 19 economists surveyed this week expected the world's second largest economy to have posted a decline in the October-December quarter of last year, with their median forecast indicating a 1.1 per cent drop from the prior quarter.

Their forecasts for the contraction ranged from 0.2 per cent to 1.9 per cent.

The Economic Planning Agency (EPA) is due to announce gross domestic product (GDP) data for the period in mid-March. EPA chief Taichi Sakaiya has said October-December GDP was likely to have fallen from the July-September period, which also recorded a decline of 1.0 per cent.

A second consecutive quarter of decline would meet the conventional definition of a recession, but economists said the economy was heading toward recovery, albeit gradually.

"We will likely see two quarters in a row of contraction due to weak personal spending, but production is rising and share

prices are firm. I don't think we should call it a recession," said Shinichiro Kobayashi, economist at Sanwa Research Institute.

In the first quarter of this year, the economy is expected to rebound with 1.2 per cent growth from the previous quarter, according to the survey's median forecast.

Economists said that a drop in winter bonus payments, job insecurity and jitters about the millennium computer bug put a damper on year-end shopping, and many said they have recently lowered their GDP forecasts due to weaker-than-expected personal consumption in late 1999.

Personal consumption accounts for 60 per cent of GDP and this long-suffering portion of the economy has been blamed for Japan's difficulty in pulling out of its worst post-war recession.

Support from massive government spending was expected to have faded during the October-December period, with the effects of public works spending in an extra budget for the fiscal year to March not likely to kick in until early to mid-2000, economists said.

On the bright side, corporate capital spending, an indispensable

able engine of any private-sector recovery, is expected to have bottomed out and to start picking up, they added.

Economists now await the Finance Ministry's corporate survey due out next Thursday for a final hint in gauging the capital expenditure component of GDP.

Despite an apparent downturn in the second half of 1999, economists expected a gradual pickup in the economy in the January-March quarter and beyond, with all but one forecasting growth in the 1999/00 and 2000/01 fiscal years.

Economists said personal spending, although still fragile, is likely to improve from January on, while brighter signs are expected to emerge in corporate profits and capital spending.

And even if the October-December GDP data technically puts the economy in a recession, as expected, the government is likely to reiterate that the economic reality is quite different.

The EPA's Sakaiya on Wednesday expressed confidence about the prospects for Japan's economy, saying he expected it to embark on a full-fledged recovery around September.



The visiting US Deputy Undersecretary of Labour and International Affairs, Andrew James Samet, called on President of Bangladesh Garment Manufacturers and Exporters Association Anisur Rahman Sinha in the city on Thursday. US Ambassador in Bangladesh John C Holzman and senior officials were present on the occasion.

—BGMEA photo

# US ready to consider releasing oil from emergency stockpile

Three OPEC heavyweights favour output hike, but refuse to comment on timing or amount: Cartel meets March 27

WASHINGTON, Mar 3: President Bill Clinton assured indignant lawmakers yesterday that he was prepared to consider releasing oil from the nation's emergency stockpile to lower gasoline prices of OPEC fails to pump more crude after the cartel meets on March 27, says Reuters.

Clinton, along with Energy Secretary Bill Richardson and Treasury Secretary Lawrence Summers, convened a high-level summit at the White House with Northeast lawmakers to weigh solutions to what may become the Achilles' heel to continued US economic prosperity: drastically higher energy prices.

Northeast lawmakers have for weeks been demanding White House action to ease the pressure on their constituents' home heating oil costs, which have more than doubled this winter in the face of tight oil supply and high crude prices.

US oil prices briefly rocketed above \$32 a barrel on Thursday after a meeting of Saudi Arabia, Venezuela and Mexico failed to produce any firm commitment to significantly increase production quickly.

Oil futures traded on the New York Mercantile Exchange later eased to close at \$31.69 a barrel.

With the summer gasoline driving season just around the corner and inventories dropping, US lawmakers clamoured for the Clinton administration to take tough action against OPEC if it fails to quickly ramp up production.

"If we do nothing, we'll have gasoline at \$2 a gallon by Memorial Day and the crisis will be nationwide," said Sen Charles Schumer, New York Democrat and proponent for selling oil from the 569-million barrel Strategic Petroleum Reserve.

"The White House realised that something has to be done and the status quo cannot be maintained," he told reporters.

OPEC members Saudi Arabia and Venezuela met in London earlier on Thursday with key exporter Mexico to draft a proposal for the cartel to consider at its March 27 meeting. The trio of oil heavyweights said they favoured an increase in production, but refused to comment on the timing or amount.

"I think it is important that the major oil-producing coun-

tries have indicated that they believe the volatility is harmful and that they want to return to a more stable price," White House spokesman Joe Lockhart told reporters.

"Now we'll be looking for the details," he added.

Some industry analysts said American motorists should brace for retail gasoline prices possibly as high as \$2.50 a gallon.

"The Energy Department said the nationwide average price for gasoline at the pump was \$1.42 a gallon this week, the highest since regulators began tracking retail prices a decade ago."

Despite calls to release SPR oil to counteract OPEC production cuts, the administration has repeatedly said that using oil from the reserve remains an option, but would prefer that OPEC take steps to bring the world market into balance. Richardson, making a third appearance before congressional committees in less than two days on Thursday, said earlier in the day that he was encouraged by the producers' comments.

"The United States would like to characterise this as a

step in the right direction," Richardson told a Senate Energy subcommittee. He took credit for prodding the three nations into action during a 10-day energy diplomacy trip that ended earlier this week.

But members of the Senate panel said the diplomatic efforts weren't good enough.

OPEC members received considerable financial and military aid from Washington when Iraq invaded Kuwait in 1990, and OPEC should immediately pump more oil.

Sen Frank Murkowski, the Alaska Republican who heads the panel, scoffed at Richardson's meeting with OPEC last week, saying the "world's superpower is going out with a tin cup" asking for relief.

Murkowski criticised the cartel for being unwilling to change the date of its long-scheduled March 27 meeting. "They could hold the meeting any damn time they want," he said. "OPEC is poking you right in the eye, Mr Secretary."

Lawmakers also expressed interest in trying to open up more federal lands for oil drilling, and other incentives to help American producers pump more oil.

## Oil prices stay strong

LONDON, Mar 3: Crude oil prices stayed strong yesterday as traders awaited clear signals from major producing countries on their plans to increase oil supplies, reports Reuters.

North Sea benchmark Brent Blend crude for April delivery closed 14 cents higher at \$29.20 per barrel on London's International Petroleum Exchange. Earlier in the day it posted a new nine-year peak of \$29.47.

US crude settled at \$31.63 after hitting a high of \$32.15.

Prices are being driven by worries that OPEC will not move quickly enough to relieve a shortage of gasoline in the run-up to the summer in the United States, when motorists take to the roads for their holidays.

Prices were not helped by a meeting between the oil ministers of Saudi Arabia, Mexico and Venezuela which gave no fresh clues as to how much producers will ease the supply limits put in place a year ago.

"We recognise the need for an increase in production. We have yet to decide by when and how much," Saudi Oil Minister Ali al-Naimi told reporters after he London talks.

While the three exporters want to take action soon, difficulties remain in convincing price hawks in the Organisation of Petroleum Exporting Countries (OPEC) that output curbs can be relaxed without sending prices plummeting.

The group is under intense pressure from the United States to significantly raise production and replenish inventories.

## E-commerce surge sparks internet insurance demand

AUSTIN, Texas, Mar 3: As federal authorities investigate a recent string of computer hack attacks that temporarily shut down some of the Web's most popular sites, a growing number of insurers are offering policies that cover Internet losses, says AP.

Marsh Inc, a San Francisco-based insurance broker, recently began offering up to \$200 million in coverage in its Net-Secure policy. A handful of smaller firms offer similar policies.

Coverage options vary, but typically clients pay to protect against revenue lost due to widespread Internet outages or if their site is inaccessible to consumer for any number of reasons — from a service outage to a hacker attack.



Raymond L LaGarde, Vice President of Burlington Resources Bangladesh Limited, called on M Mokammel Haque, Executive Chairman of the Board of Investment, at his office in the city on Thursday.

## Government of the People's Republic of Bangladesh

Police Headquarters  
Dhaka

## 1st Re-Tender

Sealed tenders are invited from the suppliers/manufacturers or their authorised agents for supply of the following vehicles for Bangladesh Police during the financial year 1999-2000.

1. Name of Items : (1) Ambulance.
2. Cost of tender : Tk. 750/- (Seven hundred fifty) only in cash.

3. Schedule : Police Headquarters, E&T Section, Room No. 107, Dhaka.
4. Last date of selling tender documents : Up to 9-3-2000 (during office hours) on all working days.

5. Place, date & time of submission/opening tenders : Tenders will be received on 12-3-2000 at Police Headquarters, E&T Section, Room No. 107, Dhaka up to 12.00 hours and will be opened at 12.30 hours on the same date & venue in presence of tenderers, if any.

6. Earnest money : @2% (two per cent) of total quoted value in the form of Pay Order/Bank Draft.
7. The authority reserves the right to accept or reject any or all tender/tenders without assigning any reason.

Syed Bazul Karim, BPM

AIG (E&T) Bangladesh Police

Bangladesh, Dhaka.

DFP-4527-28/2

G-386