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67500 lines in 1st phase Ericsson working for expansion of BTTB network

Swedish telecommunications company Ericsson together with Japanese Mitsubishi is expanding BTTB's network in the greater Dhaka and the first phase of the project includes 67,500 new lines distributed over 8 main centres, says a press release.

The central switch of the centres was ready on Tuesday to give service to 14,000 new lines. All the 67,500 lines are expected to be in service by May this year. The new switches will soon be expanded with an additional 35,000 lines, making a total of 102,500 new lines before the end of this year.

Ericsson is responsible for the telephone switches and has provided the state-of-the-art digital technology with the globally successful AXE switch. Mitsubishi is the contract owner and responsible for the overall project and outside plant works.

"We are very pleased with the cooperation of Mitsubishi and BTTB and are happy to contribute to the rapid expansion of BTTB's network," says Jan Campbell, Managing Director of Ericsson Bangladesh.

"The project we have been running with Ericsson as a sub-contractor, has worked very smoothly and encouraged us to find similar solutions for the future in possible new projects," says Fujio Noguchi, Manager-International Development Projects, Mitsubishi Corporation.

Ericsson has more than 100,000 employees and is represented in more than 140 countries around the globe. The company has been in Bangladesh since 1997 and is steadily boosting the business and market shares.

ROK govt issues tough warning to striking auto workers

SEOUL, Apr 9: South Korea today issued a tough warning to striking auto workers and vowed to push ahead with the sale of Daewoo Motor Co. to a foreign buyer despite fierce opposition ahead of Thursday's elections, says AFP.

"We will take stern actions against illegal strikes by auto unions over Daewoo Motor's auction, 'Finance and Economy Minister Lee Hun-Jai and ten other cabinet members said in a joint statement.

"They urged unions to stop the strike, now in its fourth day, saying it could have huge repercussions for the economy as a whole ahead of the elections on Thursday.

"They said Daewoo Motor's sale was 'a very important issue that could sway our auto industry and economy.'

"The country's reforms and economic recovery are endangered by a flurry of illegal group actions pursuing group interests in the lead up to elections. We will sternly deal with such illegal actions.

"The strike, which began on Thursday at all South Korean auto firms including Hyundai Motor Co, will last until Wednesday.

"Prosecutors on Saturday launched a man hunt for 15 unionists from Daewoo Motor facing charges of using violence during rallies last week, leading illegal strikes more than 20 times since February 15 and causing some 50 billion won in losses (45 million dollars) to the company.

"Government officials cautioned that labor turmoil, if unchecked, could spark a fresh economic crisis. The auto industry is at the centre of the country's crucial export trade.

Toyota to shift its Sienna plant from Kentucky to Indiana

PRINCETON, Indiana, Apr 9: Toyota Motor Corp will shift production of its Sienna minivan from its Kentucky, Kentucky, to this southern Indiana city in 2003, company officials said Wednesday, reports AP.

Toyota also announced Wednesday that its factory in Cambridge, Ontario, will start producing the Lexus RX 300 sport utility vehicle in 2003. Employment at the plant 80 miles (128 kilometres) west of Toronto is expected to increase from 2,700 to 3,000.

The Ontario plant already builds the Corolla and the Solara, so to make room for the RX 300, production of the Solara will be moved to Georgetown that year.

Toyota announced in December that it would spend US\$ 800 million to expand the Indiana plant to accommodate production of a third vehicle. Toyota already has invested \$1.2 billion in the plant, which now makes the Tundra pickup truck and will begin producing a new sport utility vehicle, the Sequoia, this fall.

IJO may cease tomorrow

Three EU states opposed to fresh deal

The 16-year-old International Jute Organisation (IJO) according to all indications, is almost certain to be liquidated on midnight April 11 due to persistent opposition of some EU members, reports BSS.

The lone Dhaka-based IJO affiliate, established in 1984, has been struggling hard for the last few months to survive with a fresh agreement as the current one expires on April 11.

Authoritative sources, closely involved in hectic efforts to clinch a new lease of life for the body, told BSS yesterday that three EU members, immense beneficiaries of the IJO, have been very vocal against the ratification of a fresh deal.

Members from the United Kingdom, Finland and the Netherlands mounted stiff opposition at an UNCTAD-sponsored crucial meeting in Geneva held between March 27 and 31, which ended without participation of the EU members and

adoption of a fresh agreement.

The EU members also abstained from the extended Geneva meeting ending in Dhaka yesterday, which adopted a fresh agreement in the name of International Instrument of Cooperation on Jute suiting to the desire of the EU members.

The European Union (EU) members, however, joining the IJC meeting expected to continue till today, are almost certain to oppose the adopted agreement leading to the cessation of the IJO, the sources said.

Requesting anonymity, the EU delegation chief, who is attending the current IJC meeting, gave similar hints to BSS last night saying that more time is needed to reach a consensus among the individual members about the ratification of the newly-adopted deal.

He, however, admitted that the situation is not in favour of allowing more time unless the EU members accept the fresh

agreement.

"It is unfortunate that the EU members, known as protagonists of environment, women empowerment, poverty alleviation and eco-friendly products, are pushing hard to preside over the funeral of IJO which has been promoting the environment-friendly jute and jute goods and has already created avenues for poverty reduction", the sources said.

All other IJO members attending the Geneva meeting were surprised to see the EU members abstaining from the meeting following a categorical assurance of the European Commission member Poul Nielson to Bangladesh Prime Minister Sheikh Hasina and the press during his February visit here that the EC would lend support for continuation of the organisation, conference sources said.

The members were equally shocked to see the 15 EU members out of the total 24 staying

away the extended meeting in Dhaka, sources added.

In fact, some European countries, home to synthetic products, do not want the IJO to continue, the sources said, adding once the Europeans used to say the organisation would die as India has abandoned it.

The four exporting members — India, Bangladesh, China and Nepal — meet 70 per cent of the annual IJO budget while the 15 EU members only an estimated 30 per cent.

Conference sources said, four industrial projects of the IJO having immense benefit were recently implemented in the UK by organisations like AEA Technology TTC and BTG based in that country.

Similarly, ATO-DLO in Netherlands was associated with the implementation of a project on reinforced plastic products with jute which is treated as a revolution in prospects of jute and jute goods.



H N Ashequr Rahman, State Minister for Environment and Forests, speaks at the inauguration ceremony of a two-day training workshop on "Environment Management System (EMS) in the Model of ISO 14001" organised by Dhaka Chamber of Commerce and Industry in cooperation with World Bank at DCCI auditorium yesterday. — DCCI photo

Entrepreneurs urged to develop environment-friendly industries

Training on EMS in ISO 14001 model starts

State Minister for Environment and Forest H N Ashequr Rahman yesterday called upon the entrepreneurs to develop environment-friendly clean industries for accelerating pace of economic growth side by side curbing pollution, reports BSS.

He was inaugurating a two-day training programme on Environmental Management System (EMS) in the Model of ISO 14001 organised by the Dhaka Chamber of Commerce and Industry (DCCI) in cooperation with the World Bank and supported by the Environment Ministry and UNDP under Sustainable Environment Management Programme (SEMP).

Environment Secretary Syed Marghub Murshed, DCCI President Aftab U Islam and DCCI Director A Y M Kamal also spoke.

The state minister described Dhaka as the most polluting

city in the world and said it is like a 'City in Plague' where the pendulum is clicking between decay and decline on the one hand and prosperity and progress on the other.

Asheq emphasised the need for developing human resources and know-how about environment management system in the model of ISO 14001 and said it is not a question of improving the environment in 52 industries rather a question of developing all industries in an environment-friendly clean manner.

He said development is essential and entrepreneurs must raise their capacities and competing edge over global industries to thrive in the global market.

The state minister traced down the history of industrialisation and development of the industrialised nations and said entrepreneurs of a developing

country like Bangladesh cannot have the influence over the global market.

Our industrialists can only seize the world market by sheer skills, efficiency and quality, he added.

Syed Murshed hoped that taking a cue from the country's oldest and largest trade body DCCI, other chambers would also come forward in developing clean industries in the country.

Aftab said DCCI is committed to implementing its EMS programme within the stipulated period and beyond and the chamber feels that there should be a strong institutional linkages with the Environment Ministry, Department of Environment, Ministry of Industries, Bangladesh Chamber of Industries, Metropolitan Chamber and partners like the World Bank, UNDP.

Pak forex liberalisation seen encouraging investment

KARACHI, Apr 9: Pakistan's decision to allow foreign investors to freely remit funds outside the country will significantly improve the investment climate, analysts say, reports AFP.

The central State Bank of Pakistan lifted all restrictions on remittances by foreign institutions, waiving a rule under which they had to obtain prior permission.

"The bureaucratic process generally resulted in a delay of around 15 days in the payments," said an executive of a foreign bank, who requested anonymity.

Aquib Elahi at KASB, a leading brokerage firm, said the move was likely to increase foreign portfolio investment.

"It will have a positive significant impact on investors' sentiments," he said.

But Elahi said the government would have to do more to encourage foreign investment.

Prospects for foreign direct investment depend on the successful resolution of the Hubco dispute," he said, referring to a tariff row involving the

British-run power company, which the military regime inherited from the civilian government it ousted in October.

The dispute with Hubco is often blamed for blocking the growth of foreign investment into Pakistan.

Foreign direct investment inflows into Pakistan stood at 334 million dollars in first eight months of the current fiscal year ending June 30, from just 275 million dollars in the previous year.

Pakistan placed restrictions on forex outflows in the crisis that followed its test explosion of nuclear devices in May 1998.

But in January it lifted curbs on remittances of profits and dividends on foreign direct investment as well as the payment of private foreign loans.

With the removal of the remaining restrictions, Pakistan "has once again become an open and liberal country for foreign investment and attained its pre-May 1998 status," the central bank said.

The country's forex reserves dipped as low as 472 million

dollars in 1998, but now stand at around 1,556 billion dollars.

After seizing power in October, Pakistan's military ruler Pervez Musharraf said the freezing of foreign currency accounts after the nuclear tests was "disastrous" for the economy and vowed to ease controls.

Analysts said the central bank's latest decision was part of economic liberalisation initiatives announced by the military government in December.

"Investors will now have a fresh look at Pakistan," said Karachi Stock Exchange president Arif Habib.

He said foreign investors would now be much less afraid of putting their money in the country.

Habib dismissed speculation that the dismantling of controls would give finally investors the opportunity to offload their stocks holdings.

"Those who were afraid had already disinvested from the market," he said, noting that the Karachi bourse had reacted positively since the announce-

Raspi e-Commerce launched

Raspi Data Management and Telecommunications held a Raspi e-commerce launching and display ceremony at Dhaka Sheraton Hotel on Saturday, says a press release.

The function was presided over by Maj Gen Ghulam Quader (Retd), Chairman of Raspi Securities and Management Ltd. Md Habibur Alam and Md Abdur Razzak, Chairman and Managing Director respectively of the company were present.

Software on e-Commerce, share management, portfolio management, Raspi keyboard, Bangla alphabet learning for NRBs and foreigners developed by the company were displayed.

At the function, the launching of Raspi e-Commerce, was announced which is a modern shopping arrangement through computers. In this system, anybody can buy any necessary products by entering into the system of Raspi server. Anybody can be a customer of Raspi e-Commerce by paying a registration fee of Tk 300. Three types of customer accounts will be maintained under this arrangement — Raspi Gold, Raspi Silver and Raspi Economy.

The Raspi Gold account-holders will be allowed to buy products worth Tk 13,000 against their deposit of Tk 10,000 and the Silver account-holders will be allowed to buy products worth Tk 6,000 against their deposit of Tk 5,000. He or she will have to pay a service charge of 2 per cent on his debit balance.

Raspi Economy account-holders will have to deposit Tk 3,000 and will not get any credit facility.

If any accountholder buys products worth Tk 1,000 at a time, he will be delivered products at his residence without any carrying charge.

Moreover, under this arrangement, there is a facility to pay telephone, water, gas and electricity bills sitting in the residence.

BB T-bill auction held

The 83rd auction of the 28-day, 91-day, 182-day, 364-day, 2-year and 5-year Treasury Bills was held in the city yesterday, says WB.

Tk 893.50 crore, Tk 1.00 crore, Tk 224.50 crore, Tk 106.00 crore and Tk 104.00 crore were offered respectively for the 28-day, 91-day, 182-day, 364-day and 2-year bills respectively.

Ranges of the implicit yields of the offered bills were 5.95-6.05 per cent, 7.29-7.32 per cent, 7.75-7.81 per cent and 8.11-8.53 per cent per annum respectively.

The bid offered for the 91-day bill was not accepted and no bid was offered for the 5-year bill, said a Bangladesh Bank press release.

Manila confident of gaining good grades from IMF

MANILA, Apr 9: The Philippines is confident of obtaining good grades from the International Monetary Fund (IMF) in an ongoing assessment of the country's reform programme tied to a 1.4 billion dollar loan facility, officials said today, reports AFP.

"We feel that most of their concerns have been addressed," Finance Secretary Jose Pardo said, noting that an IMF mission conducting the study appeared satisfied by assurances that the government would enact structural reform measures to maximize growth.

Among the measures are proposed legislation in Congress that would restructure the energy sector and strengthen the country's securities law to better protect investors from fraud.



Industries Minister Tofail Ahmed at a city hotel yesterday addresses the introduction ceremony of Peter Khong Aviation Ltd, a joint venture company of Nitol Group, which offers helicopter service. — Star photo

G7 nations likely to express concern about strong yen

Finance minister, central bank governors meet this weekend

TOKYO, Apr 9: World financial powers are expected to show their joint concern about the strong yen while Japan will promise to maintain its zero interest rate policy at a Group of Seven meeting this weekend, a report said today, reports AFP.

The G7 nations "are arranging a plan to express concern about a further gain in the yen, which may block Japan's economic recovery, in their joint statement," the Nihon Keizai Shimbun said.

"After watching the yen's move on the foreign exchange market on Monday, the Japanese finance ministry and the Bank of Japan will put the final touches to the wording on the year's climb," the daily said.

Finance ministers and central bank governors from the seven industrialised countries are to gather in Washington

Saturday on the sidelines of the International Monetary Fund and the World Bank.

G7 groups Britain, Canada, France, Germany, Italy, Japan and the United States.

"The Japanese finance ministry and the Bank of Japan have fears that the yen's rise above the 105 yen level would block the economic recovery," the business daily said.

Tokyo is fretting that the strong yen will throttle emerging hopes for recovery by hurting exporters. A stronger yen makes Japanese exports more expensive overseas and cuts the yen-based value of foreign currency income.

In exchange for its G7 partners' support for the Japanese concern, Tokyo will pledge to maintain its zero interest rate policy in its effort to boost do-

mestic demand-led recovery, the daily said.

Since February last year, the Bank of Japan has been pushing down short-term interest rates close to zero to hold off deflation in Japan's depressed economy.

The G7 nations are also likely to express concern about the Euro's weakness, which was increasing inflationary pressure in Europe by boosting import prices, the daily said.

But it is still unknown whether the G7 nations would include their concern about the weak Euro in the planned communique, the daily said.

European members of the G7 were divided over the Euro because its weakness also helped some parts of the European economy by boosting export competitiveness.



Dr Rajmohan Gandhi, grandson of India's Father of the Nation Mahatma Gandhi, called on Abdul Awal Mintoo, President of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), at Federation Office yesterday. Siegfried Herzog, Project Director of FNST, and FBCCI Director Md Farid Uddin Ahmed were also present. — FBCCI photo

China didn't move enough in WTO talks with EU: Lamy

BRUSSELS, Apr 9: European Union Trade Commissioner Pascal Lamy said recently that China had moved slightly, but not far enough, on Beijing's bid to join the World Trade Organisation (WTO).

The latest round of market-opening talks, between China and the 15-nation EU ended last Friday with no agreement, dealing a blow to Beijing's hopes of joining the WTO this year, says Reuters.

"They moved a bit, not enough," Lamy said of the Chinese negotiators.

Lamy, who led the EU team in the Beijing talks, said there was far enough to go to reach an agreement to convince him that it would not have been double "chat" on trade issues.

Following bilateral agreements between China and the

United States, Japan, Canada and other countries, the EU is the biggest trade power which has yet to reach an agreement with China to pave the way for WTO entry.

Any WTO member has the right to hold negotiations with any applicant country on its trade concerns.

The EU says 80 per cent of its trade concerns were covered by a US-China agreement reached last November, but the bloc has said it is seeking further concessions on certain tariffs and in sectors such as life insurance and mobile telephones.

US Trade Representative Charlene Barshefsky said on Monday that Europe was unlikely to writing additional concessions on telecommunications and insurance out of China, but expressed confidence they would reach a WTO accord soon.

Lamy declined to identify the main issues which remained to be settled with China, which has been trying for 14 years to join the WTO or its predecessor.

"It's a tough negotiation and I don't want the negotiation itself to be done in the open," he said.

Lamy said he was not disappointed by the failure to reach an agreement last week, adding: "I am paid for getting an agreement and if it's not this time it will be another time." "I'm calm. I know it's difficult for them. I know it's difficult for us," he said.

No date had yet been set for the EU to resume talks with China, Lamy said. "I will discuss that with the Council (made up of the 15 EU governments) and the (European) Parliament and take my decisions later on," he said.

During the Internet chat, Lamy said the EU wanted to reach quickly "a fair agreement which is in the interests of both China and the EU."

China's entry to the WTO also faces a hurdle in the United States, where Congress must vote on legislation granting permanent trade benefits to China.