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The Daily Star BUSINESS

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Air Parabat going to introduce AN-24 aircraft

Air Parabat, a private airline in Bangladesh, is going to introduce one AN-24 aircraft to its existing fleet of 03 LET-410 aircraft to its domestic routes, says a press release.

This Russian origin aircraft is one of the most successful production of 'Antonov' aircraft group with an excellent operation track record for few decades.

To render better services to the valued customers, the aircraft will have spacious seating arrangement for 46 passengers with air conditioning and pressurization system.

The aircraft will be operated by expert foreign and national pilots with selected cabin crew.

BB T-bill auction held

The 87th auction of the 28-day, 91-day, 182-day, 364-day, 2-year and 5-year treasury bills were held in the city yesterday, says UNB.

Taka 842.50 crore, Tk 6.00 crore, Tk 120 crore, Tk 112 crore and Tk 30 crore were offered respectively for the 28-day, 91-day, 182-day, 364-day and 2-year bills.

Of these, Tk 841.50 crore, Tk 40 crore, Tk 109 crore and Tk 28 crore were accepted for 28-day, 182-day, 364-day and 2-year bills respectively.

The range of the implicit yields were 5.86-6 per cent, 7.20-7.25 per cent, 7.66-7.75 per cent and 8.45-8.52 per cent per annum respectively.

The bids offered for the 91-day bill were not accepted and no bid was offered for the 5-year bill.

Due to maturity of the bills, a total amount of Tk 980.50 crore will retire this current week. So the net amount of the issuing bills will stand at Tk 38 (1018.50-980.50) crore this week.

11 Sonali Bank managers get Best Awards

Star Business Report
Sonali Bank has given Best Managers Award to 11 managers of the bank.

Of them, 9 managers have got the award for the year 1997 while the two others for the year 1998.

Dr A I Aminul Islam, Chairman of Sonali Bank, distributed the awards among the recipients at a function held at the Bank's conference room at Motijheel in the city yesterday, said a press release of the bank.

Speaking on the occasion, the chairman asked the bank workers to make environment for creative professional mentality in banking sector so that others may model their work.

In his speech, M Enamul Hoque Chowdhury, Managing Director of Sonali Bank said professional efficiency in bank is essential. It is for the interest of the bank's existence that it will have to prove its efficiency with modern technology.

A H M Shahnewaz, Manager, Sonargaon Hotel Branch, Md Ehsanul Huq, Manager of Mirpur Cantt. Branch, Abul Kalam Azad, Manager of Rasulpur Bazar Branch, Golam Mostafa, Manager of Eliogani Branch, Sirajul Islam, Manager of New Court Building Branch, Himangshu Kumar Chakraborty, Manager of Sarker Bazar Branch, Md Tajul Islam, Manager of Paramatla Branch, Ali Ahmed, Manager of Noabazar Branch and Aminul Islam, Manager of Srikanth Branch, have been awarded as best managers for 1997, and Md Mazfur Rahman, Manager, Farazkanda Branch and Md Abul Gani, Manager, Daulatpur College Road Branch have been given best managers awards for 1998.

Gannett may buy Newscom for \$702m

ARLINGTON, Virginia, May 8: Gannett UK Limited announced Friday that it would buy the United Kingdom's eighth-largest newspaper publisher, News Communications and Media PLC, for \$702 million (444 million pounds), says AP.

Gannett UK is a subsidiary of Arlington-based Gannett Co., the United States' largest newspaper publisher.

The board of News Communications, known as Newscom, has unanimously recommended the transaction, Gannett officials said. In addition, Newscom directors and investors controlling more than 15 per cent of the company's shares have pledged to sell them.

Gannett will pay \$28.44 (1800 pence) for each Newscom share and will assume Newscom's debt.

Newscom has 99 publications, including four daily newspapers, paid and free weeklies and niche publications. Newscom also owns a printing company and an interest in magazine publishing and electronic publishing.

Bourses to classify firms as good, bad

By M Shamsur Rahman

In an attempt to draw a difference between the good and bad performers among the publicly-traded firms, the country's bourses have decided to make three separate lists of companies depending on their fundamentals.

Under the new system to be introduced from the first week of July, the best companies will be put under one list. The rest of the companies will be segmented into two more classes.

"As a result, investors will immediately know what risks they are taking in investing in a company. This will encourage better performance among the managements," said a SEC official.

The new system will be called "three-market system".

At a meeting of the Capital Market Reform Committee yesterday, both the stock exchanges said that they will prepare necessary regulations for

the new system by June this year.

Under the new system, the bourses will have three separate boards -- A, B and C -- for trading.

The Board-A will include scrips of the companies which regularly hold annual general meetings (AGMs) and pay dividends.

The Board-B will include those issues which do not regu-

larly pay dividends or hold AGMs, while the Board-C will comprise the companies which are not in production.

The scrips of A and B category issues will be traded through the normal automated trading system and the settlements will follow the existing system.

But the scrips of board C will be traded through a manual system similar to that of "Over the Counter" system (OTC) and the

settlement mode will also differ from the existing one.

The meeting also discussed the proposed "Governing body and administration regulations, 2000" which suggests that SEC nominate half of the policymakers of both the bourses.

The SEC will also have representatives in any other sub-committees of the bourses.

Currently the Dhaka Stock Exchange (DSE) has a 24-member policymaking Council with

12 directly-elected and 12 non-elected ex-officio councillors.

The Chittagong Stock Exchange (CSE) policy making body has 24 members, half of whom are elected and the rest are nominated by the SEC.

The bourses also said that the proposed "short-sale regulations, 2000" by SEC will also be adopted by the bourses after having it approved by their policymaking bodies.

Local chilli can storm global market

Star Business Report

Chilli has the potential to become a huge foreign currency earner for the country and it has already become the number one perishable item exported to the UK and number three to the Middle East markets, experts at a workshop said yesterday.

The country now exports 550 tons of fresh chilli to the UK and 1,300 tons to various destinations in the Middle East annually, they pointed out, adding that Bangladesh has all potentialities to be a dependable source of chilli for the global market.

They also suggested that steps be taken to increase its production throughout the year, which would also benefit the farmers.

The workshop on year-round production of chilli for export, organised by Hortex Foundation, was held at BARC conference room in the city yesterday.

Speaking at the inaugural session of the workshop as chief guest, Dr Z Karim, Executive Chairman of Bangladesh Agricultural Research Council (BARC), termed chilli an economically important crop, saying Bangladesh Agricultural Research Institute (BARI)

should take extensive efforts for research on the produce.

"We should learn how to make its commercial production more efficiently round the year," he added, mentioning that around 52,000 metric tons of chilli are now produced in the country.

Chairing the inaugural session, Dr Abul Quasem, Managing Director of Hortex Foundation, said the country is earning Tk 200 crore every year by exporting more than 20,000 tons of fresh fruits and vegetables.

"Green chilli has very good demand in the international market, particularly in the European countries. If we want to meet a part of this demand, year-round supply should be ensured."

BRAC has already introduced a contract farming system under which french bean is being produced and exported to UK, France and some other countries, the MD told the workshop.

Quasem said packaging should be developed for high price and value-added produce for the supermarkets abroad. "We should fix a special target to increase our horticultural export."

Md Akmal Hossain, National Marketing and Transportation Specialist of Hortex Foundation, identified round-the-year supply constraint as a problem. "At present, we cannot maintain regular supply throughout the year which is a problem for sustained market access."

"If the quality is ensured and regular supply maintained, Bangladesh will be a dependable source of chilli for the global market."

Karst Weening, International Marketing Specialist of Hortex, said Bangladesh should take supermarket-oriented export strategy where produces fetch high prices.

"Despite the extra costs involved in packaging and grading, the exporters' margin increases from Tk 7 to Tk 17 per kg," he added.

Md Abdul Jalil Bhuyan, Horticulturist of Hortex, mentioned that the average yield of chilli is much below the potential level. "Use of low quality seeds, unsanitary production methods and unfavourable environmental conditions are the main reasons for such low yield," he said.



Dr Z Karim, Executive Chairman of BARC, speaks at a workshop on year-round chilli production for export as chief guest at BARC conference room in the city yesterday. Dr Abul Quasem, MD of Hortex Foundation, and Md Akmal Hossain, National Marketing and Transportation Specialist, are also seen. —Star photo

Bangladeshi, Qatari businessmen sign MOU to promote trade

DOHA, May 8: Businessmen of Bangladesh and Qatar today agreed to promote and encourage trade, investment and technical as well as economic cooperation for the mutual benefit of both the countries, reports BSS.

To this effect, they signed a Memorandum of Understanding (MOU) at the office of the Qatar Chamber of Commerce and Industry (QCCI) agreeing that the friendship goodwill and understanding between the businessmen of the two countries would grow in future for the greater benefit of the two economies.

Leader of the visiting Bangladesh business delegation Abdul Awal Minto and the President of Qatar Chamber Sheikh Haamad Bin Jashim Bin Mohammad Al-Thani signed the MOU.

Among others, Bangladesh Ambassador to Qatar Nazrul Islam, deputy leader of the Bangladesh delegation Dewan Sultan Ahmed and FBCCI directors Afzal Khan, Montazuddin, Abul Hussain, Sheikh Nurul Alam, Fariduddin Ahmed, Abu Motealeb, Abu Alam Chowdhury,

Afzal Hussain, Ainul Haque Sohail and Shamsul Kawnain Kutub witnessed the signing ceremony.

From the Qatar Chamber, Vice-President Saleh Bin Mubarak Al-Kholaifi, Adel Abdullah Bin Ali and Dr Majid Abdullah Al-Malki, among others, were present on the occasion.

Earlier, Abdul Awal Minto in his speech referred to the common cultural, religious and traditional relations between Bangladesh and Qatar and said the economic cooperation based on this tie would greatly help both the countries to increase their trade and commerce in future.

The Bangladesh delegation chief recalled the contribution of Qatar to Bangladesh economy.

He apprised the Qatar businessmen of the existing favourable investment climate in Bangladesh vigorously pursuing a development strategy of private sector-led and export-oriented market economy and said Qatar could take full advantage of this opportunity to invest in different leading sectors in Bangladesh.

"You can invest directly with 100 per cent ownership or joint venture taking full advantage of the ample opportunities being provided by Bangladesh to the foreign investors," he said pointing out potential areas like power generation, petrochemicals, telecommunications, oil refinery, basic pharmaceuticals, tourism and real estate businesses.

In his welcome address, the Qatar Chamber Vice-President Saleh Bin Mubarak Al-Kholaifi highly appreciated the current visit of Bangladesh delegation here, saying it would help develop a solid economic relations between the two countries.

Under the MOU, the two sides will promote efforts for joint ventures, transfer of know-how, licensing agreements and establishment of third country projects by maintaining liaison with both the governments for their overall economic interest. To carry out these purposes, Bangladesh-Qatar Economic Cooperation Committee will be set up, which will meet alternately in both the countries.



Best Managers Award for 1997 and 1998 of Sonali Bank was distributed at the bank's conference room in the city yesterday. Picture shows (from right) Md Yusuf Ali Howlader, DMD, M Enamul Huq Chowdhury, MD, Dr A I Aminul Islam, Chairman, Muhammad Tahmilur Rahman, GM, and the recipients of the award. —Sonali Bank photo

Sub-committee readies 5 recommendations on bond licence

A sub-committee comprising NBR officials and BGMEA leaders has made five recommendations for consideration by the National Board of Revenue on its fresh conditions about bond licence, says UNB.

The recommendations are: 1. Providing the concerned factory with the report prepared by the customs house after its annual visit to the factory. Alongside, physically inspecting five per cent, in some cases 10 per cent, of the export-bound cartons.

2. Reviewing BGMEA logic on determining annual bonding capacity and item-wise entitlement and adjusting the list of raw material with HS code.

3. Softening the rules about clearing raw material if stocklot exists.

4. Issuing general bond on priority basis for the companies who have no irregularity. The NBR has extended the tenure of general bond to three years from one year.

5. Issuing new bond licence for new companies within three weeks. Decreasing the number of papers for bond licence, which is now 23/24. Considering the bond issued during receiving a new bond licence as a permanent one.

The sub-committee made the recommendations at its first meeting held in the city on Sunday when the BGMEA leaders came up with the specific suggestions, said a release of the Bangladesh Garment Manufacturers and Exporters Association.

Rupali Bank holds managers' conference

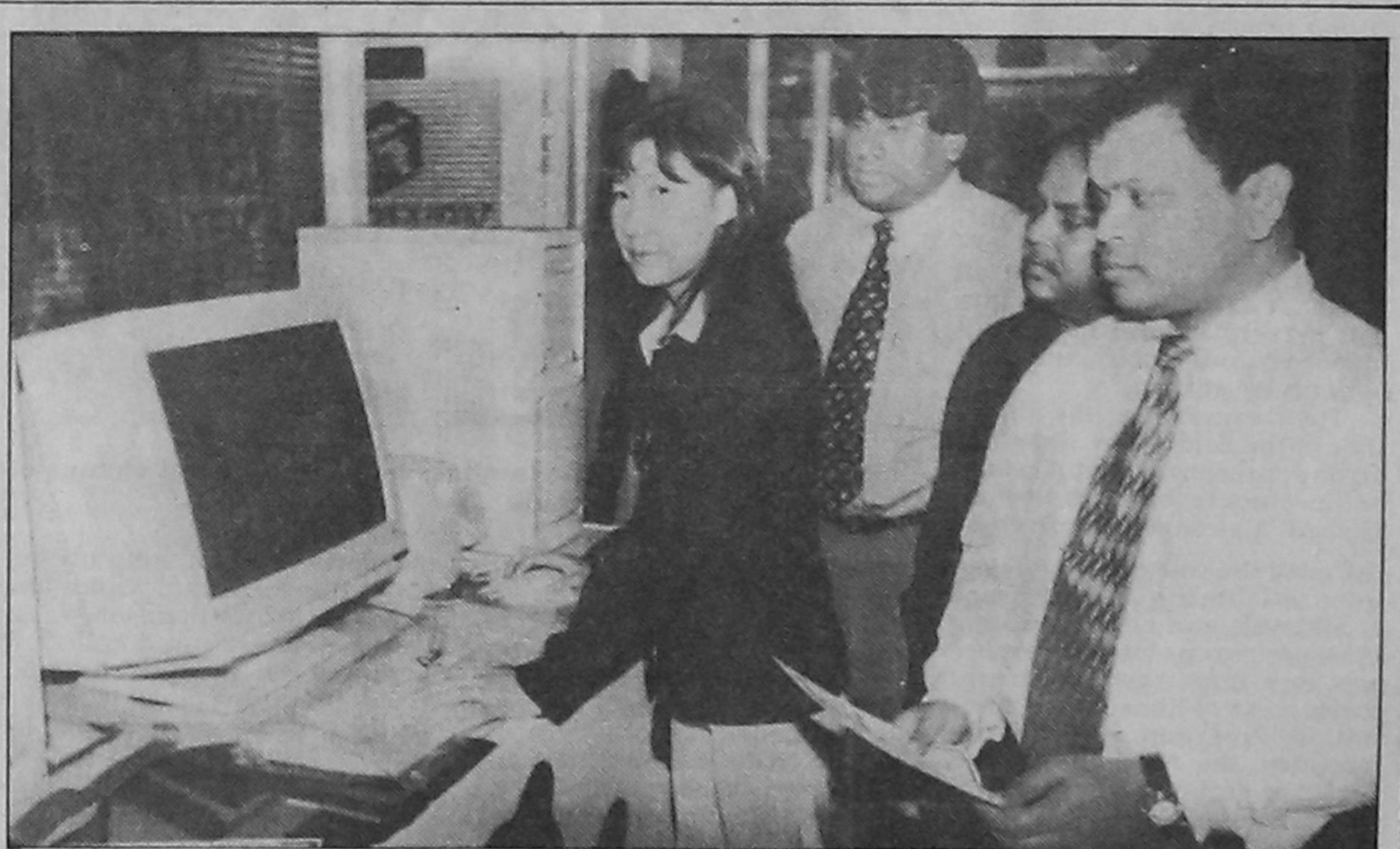
Rupali Bank branch managers' conference was held in the city on Sunday with the Deputy General Manager of Dhaka Central Zone Syed Saifullah in the chair, says a press release.

The Managing Director of the bank, Md Yeasin Ali, was the chief guest at the conference.

General Managers S M Ammar Rahman and Md Ashraf Ali also attended the conference as special guests.

Speaking on the occasion, the managing director called upon all officers and employees of the bank to turn the bank into a profitable organisation through recovery of classified advances.

He stressed the need for recovery of classified advances, deposit mobilisation, increase of remittance and foreign exchange business.



Gateway representative Angeli Ong (left) and Managing Director of IMART Md Akhteruzzaman Khan (2nd from left) at the week-long Gateway Products Fair 2000 which began at IDB Bhawan yesterday. —Star photo

ADB takes water away from the poor: Critics

CHIANG MAI, Thailand, May 8: For centuries, the Thai saying 'rice in the fields and fish in the water' has been held as a metaphor for the country's agricultural prosperity and the underlying reason for the easy-going nature of its people, says IPS.

Little wonder then that Thailand's farming community and social activists are battling a new proposal to charge farmers a fee for supplying water — without which neither rice nor fish are possible.

The water-pricing measure is among the strings attached to a 600 million US dollar agricultural sector loan, negotiated between the Thai government, the Manila-based Asian Development Bank (ADB) and the

Japanese Organisation for Overseas Economic Cooperation Fund (OECF) in June last year.

Ostensibly, the loan is meant to facilitate the recovery of the Thai economy, which has been ailing due to the Asian economic crisis that began in 1997.

A new water law proposed by the ADB will see Thai authorities charging farmers water user fees to recover irrigation investments and invite the private sector to lease the state irrigation system. The Thai Government is also expected by donor agencies to reform water laws and regulations.

The reform of water laws and regulations will take away the right of communities to use

water and this will become the right of the state, which can then privatise water," says Montri Chantawong of a Thai NGO working group set up to study the impact of the ADB loan.

According to Montri, the process is similar to the way the state took over the people's rights to use forests earlier and then gave logging rights to private companies — allowing them to deforest the country.

Opposition to the water-pricing proposal has been growing rapidly in recent weeks, especially ahead of May 6-8 ADB annual meeting here, where the issue has been hotly debated at a parallel NGO meeting the People's Forum 2000. It is also one of the common issues raised at

protests outside the Bank meeting venue.

The Bank and the Thai government defend the proposal by citing the need for increasing the efficiency of water USE and by promising to confine such fees mainly to large farmers, agro-industrial concerns and golf courses using free water.

"The letter of intent signed between the Government of Thailand and the ADB says clearly that the process of water pricing will be gradual and the ability of small farmers to pay will be taken into account," says J Warren Evans, manager of the ADB environment division.

According to him, the pricing of water is in keeping with demands by environmentalists

to incorporate the costs of resources which are being rapidly USED up because they are available "free."

Likewise, the ADB's 1999 annual report, released in April, says the lack of adequate water and declining quality are a "major human tragedy" that worsens poverty in Asia.

It seeks a "blue revolution" to boost efficiency amid a water crisis, saying most of the water gets USED, and often wasted, by irrigation. But the ADB itself concedes that "in many cases the irrigation schemes (it funded in the past three decades) have performed well below expectations."

Advocates of privatising water also claim that in developing countries, the poor sel-

dom have proper access to water and the state ends up subsidising water supplies to the rich.

"The profit motive induces private firm to be more diligent in collecting bills, reducing leakages or thefts and upgrading infrastructure," says Christopher Lingle, a corporate consultant, in a recent article in the Bangkok-based English language daily The Nation.

But critics disagree. "The best water resource management should involve several solutions. The government should give priority to the community-based solution supported by local NGOs," says Witoon ermpongsacharon, director of the Project for Ecological Recovery, a Bangkok-based environmental NGO.

Bush supports China trade pact

HOUSTON, May 8: Former President George Bush urged the US Congress yesterday to approve a landmark trade bill with China, but said it was too early to consider similar treatment for another communist nation, Cuba, says Reuters.

Bush, in a news conference at his home, said China had made great strides in human rights, while Cuba had not, and that a good US-China relationship was of paramount importance.

He said he was speaking out in hopes of influencing what is expected to be a close vote on the trade pact later this month in the US House of Representatives.

The agreement would open Chinese markets in exchange for the United States granting China permanent normal trade status, but it faces opposition from labour unions and some human rights groups.

The landmark bill would guarantee Chinese goods the same low-tariff access to US markets as products from nearly every other nation.

"I can tell you there are far more freedoms for individuals, far more human rights in China today than when we lived there."

"It's not even debatable, it's not even a close call," said Bush, who was US ambassador to China under then-President Richard Nixon.

"You don't want to make an enemy out of China," he said.

When asked about the possibility of normalising relations with Cuba, Bush said it was too soon because the island nation led by Fidel Castro was "way behind" China in terms of human rights.

"They're still back in the era we walked into in China 25 years ago — you get followed on (street) blocks, just restricting all kinds of individual liberties and rights," he said.

Business fair held at East West University

East West University organised a day-long 'Business Fair' on its Mohakhali campus recently, says a press release.

Students of International Business presented their ideas, generating and creative thinking projection at the colourful fair.

Syed Manzur Elahi, Chairman of Apex Group and President of the Board of Directors of East West University inaugurated the fair. Among others, Mumin Chowdhury, Vice-President of FBCCI and member of the Governing Body of the university, other members of governing body, faculty members, students and staff visited the fair.

Ziaul Hoq was the co-ordinator of the fair.

Norway unions plan biggest strike since '45

OSLO, May 8: Norway's main union federation said yesterday that a private-sector strike by 86,000 workers would be expanded next week to more than 102,000 workers, making it the biggest strike in the post-World War II era, says AFP.

"As of Tuesday, 102,119 employees will be on strike, compared to a little more than 86,000 today," LO union confederation chief Yngve Hagensen told a press conference.

LO announced Thursday that 10,000 workers would walk out next week but raised that figure Friday to 16,000, pushing the number over the 102,000 who went on strike in Norway over wage negotiations in 1986.

In Norwegian salary negotiations, the unions determine the number of strikers that take part in a designate the sectors to be affected.

LO, which has more than 800,000 members out of 2.2 million workers, called the unlimited strike Wednesday in the transport, construction, hotel, shipping and media industries after members voted to reject a wage agreement reached in April with the employers' organisation, the NHO.

The agreement included an across-the-board pay increase of at least 0.09 euro (0.10 dollar) per hour and the payment of an additional fifth week of paid annual holiday as of 2002.

Worries about the conflict have fuelled investor concerns about rising inflation and interest rates, while the Norwegian currency, the krone, is now at a 15-year low against the US dollar.

Around 2,000 businesses are estimated to have been hit so far by the strike, while 100,000 car manufacturing jobs in Europe are at risk due to a halt in production of vital car parts. Thursday sector also ran into trouble as talks broke off and the two sides agreed to begin mediation. A public sector strike could take place in three weeks at the earliest if those talks fail.