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The Daily Star BUSINESS

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WTO cell opens at commerce ministry

A separate cell to deal with the World Trade Organisation (WTO) has been opened in the Commerce Ministry with Mohammad Shah Alam, Controller of Import and Export, as its head, says UNB.

The cell will work in implementing the WTO related agreements and identifying Bangladesh's needs, said a handout yesterday.

Besides, an advisory committee will be formed to recommend measures.

Iran sees new trade potential with Bangladesh

Iran has so many potential entrepreneurs who can invest in Bangladesh and both the countries have still many areas to explore bilateral trade and investment, reports UNB.

Iranian Ambassador Mohammad Rezaee stated this when he called on Industries Minister Tofail Ahmed at the latter's office yesterday.

The Iranian envoy said both the countries are familiar with mutual cultural issues and exchange of cultural programmes since long. But bilateral trade is another area to explore for mutual benefit.

On behalf of the Iranian Industries Minister, the envoy invited Tofail to visit Iran on the occasion of Industry Day of Iran and International Car Show in Tehran on June 30.

The Industries Minister referred to the recent visit of a Bangladesh business delegation to Iran and said this is a good beginning. "Exchange of more delegations would be useful for identifying new areas of economic cooperation."

IUB executive development training ends

A two day executive development training programme on "Organisational Behaviour" organised by the Independent University, Bangladesh (IUB) concluded on Monday evening at the IUB campus, says a press statement.

The training programme was designed and conducted by Shalini Lal, a training expert and founder of a training company "Infinity," Mumbai.

Amir Khosru Mahmud Chowdhury, MP gave away certificates to the participants in a simple ceremony which was attended by the vice chancellor, senior officials and faculty of the university.

DCCI course on L/C concludes

A 5-day training course on Letter of Credit (L/C) for Export & Import Operations was concluded at DCCI Business Institute on Sunday, says a press release.

The course was organised by the Human Resources Development Programme (HRDP) of the Dhaka Chamber of Commerce & Industry (DCCI).

DCCI Director Benajir Ahmed distributed certificates among the participants of the course.

In his concluding speech, Ahmed said training has no substitute in the context of free market economic policies. He noted that the training course on letter of credit was expected to equip the participants with advanced knowledge about L/C to operate business professionally.

DCCI Secretary Mirza A Matin also spoke on the occasion. Deputy Secretary (Training) & Course Co-ordinator Hasanur Rahman Chowdhury welcomed the participants in the training course. Shahzada Basunia, Deputy Secretary (Training) was also present.

A total of 37 participants from different business organisations took part in the training course.

Microsoft wins round in Java copyright row

SAN FRANCISCO, May 9: Microsoft won a victory in its battle with Sun Microsystems over the Java programming language as a federal judge dismissed Sun's claim that Microsoft had broken copyright laws, reports AP.

Sun had sued Microsoft for "designing a Windows-only version of Sun's Java technology, which was incompatible with other software. Sun said it represented both copyright infringement as well as a breach of its licensing contract."

US District Judge Ronald Whyte said Monday the dispute was solely a contractual one.

The language and structure of the Technology Distribution and License Agreement suggest that the compatibility obligations are separate covenants and not conditions of, or restrictions on, the license grants, Whyte said.

Sun's breach-of-contract claims against Microsoft are still pending.

FBCCI top slot aspirants get down to support-hunting

Elections expected to be held in October

By Shahriar Karim

Although the next FBCCI election is still five months away, the top post aspirants of the country's apex trade body have already started the groundwork for winning support from different quarters and the much-needed political blessings," according to business sources.

The candidates for the vice president post are also busy in reading things for a smooth sail with supports from influential groups and individuals, sources said.

The election of the Federation of Bangladesh Chambers of Commerce and Industries (FBCCI) is expected to be held in October this year.

Yusuf Abdullah Haroon and Salman F Rahman, two former FBCCI presidents, and last year's defeated candidate MA Rouf Chowdhury have already expressed their willingness to vie for the top post.

As the president of FBCCI will be elected from the chamber groups this year, all the three aspirants -- Haroon, Salman and Rouf -- have already got themselves inducted into different district chamber bodies. Haroon now represents

the Comilla Chamber, Salman Kishoreganj Chamber while Rouf is at the helm of the Gazipur Chamber.

However, one of the two top notch aspirants, Haroon or Salman will have to give way to the other as both of them are likely to seek blessings from the ruling party high-ups, sources said. Both of them enjoyed the ruling party support when they were FBCCI presidents.

According to sources, the ruling party has not yet decided on backing any of these would-be contestants. This time, the party will depend on the candidate's public image, evaluate his reputation in the business community and check out whether he had any bad reputation of defaulted loans or involvement in the share market scam, sources said.

On the other hand, Yusuf Abdullah Haroon may also back down from the race as he is more interested in running for a Parliament seat as an Awami League candidate.

But the blessings of the ruling party may fall on a surprise candidate as a last-minute development, competent sources

said.

On the other hand, there is also a move by some influential chambers and businessmen to have a candidate with good reputation. They want to opt for someone who would work for the business community without any political bias. However, these chambers and businessmen have not yet been able to persuade anybody, as eminent business leaders are not willing to run for the post.

There are also rumours in the business circle that big businessmen may file for their own frontmen instead of contesting the elections all by themselves.

There are others who want to see a businessman from the opposition camp. They approached BNP lawmaker Amir Khosru Mahmud Chowdhury, who is also the President of Chittagong Stock Exchange (SEC). But, according to sources, they have failed to persuade Khosru.

When contacted, Amir Khosru Mahmud Chowdhury refused to comment on the issue.

"I would really like to be a candidate for the FBCCI presi-

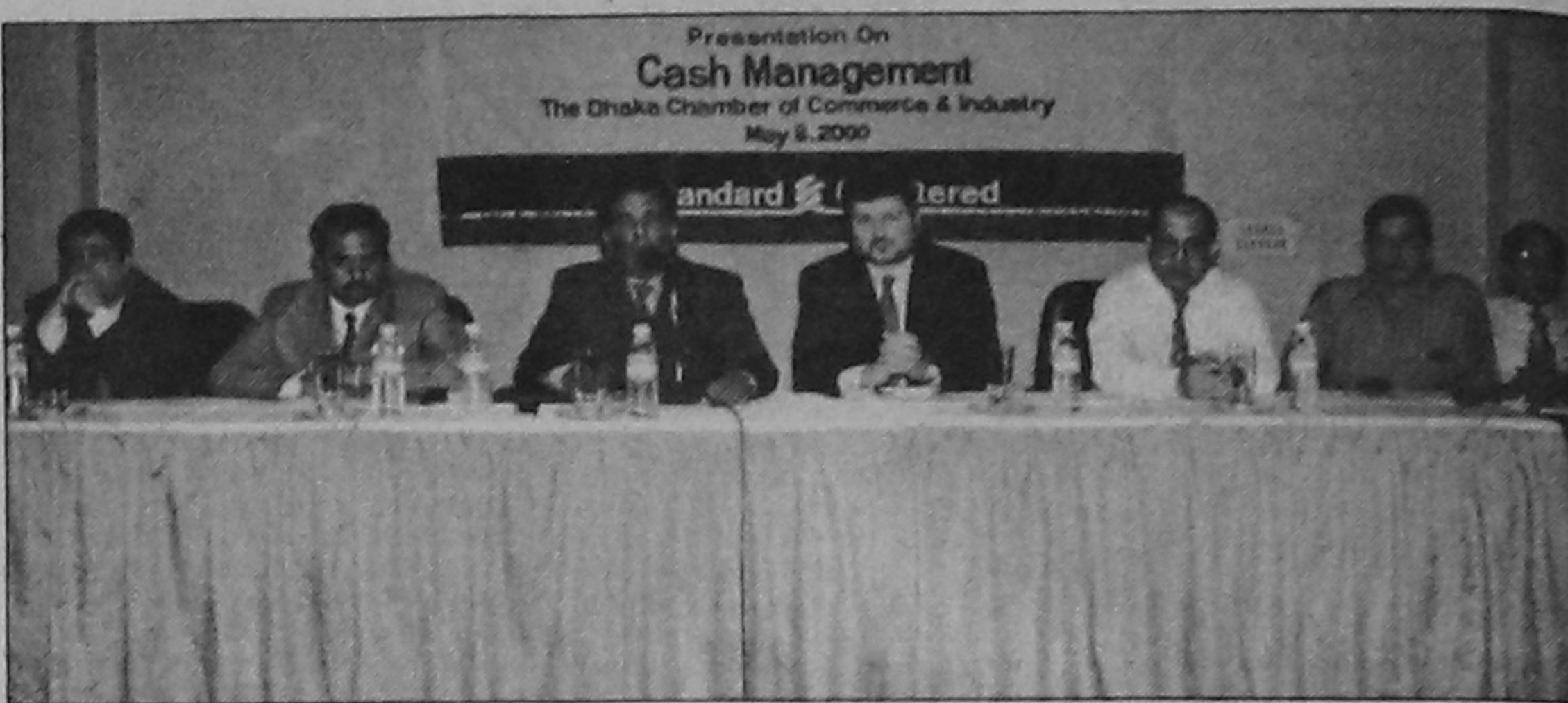
dent post. But it is still premature," said MA Rouf Chowdhury.

But as usual, the biennial FBCCI elections will draw top politicians and power brokers into the fray, said business sources, adding that this race had become a 'dirty game' in which money and political connection matter most.

Mohammad Ali, a Narayan-ganj-based businessman representing the Edible Oil Association, will fight for the vice-president slot. Two others, Shafulah Chowdhury of the Corrugated Sheet and Packaging Association and Dastagir Gazi of Plastic and Rubber Product Manufacturing Association, are also keen to run for the post, sources said.

Candidates who had huge defaulted loans may face stumbling blocks and oppositions in their bids.

The business community will elect a 32-member FBCCI executive committee including its president and vice-president. Of the 30 other executive body members, fifteen will come from the chambers while the rest 15 from association groups.



President of DCCI Aftab ul Islam speaks as chief guest at a seminar on "Cash Management" organised by Standard Chartered Bank-Bangladesh in cooperation with the chamber at DCCI auditorium Monday. Among others, DCCI Vice-President Muhammad Golam Mustafa, Director Hossain Akhtar, Regional Head, Cash Management-Middle East and South Asia of Standard Chartered Bank Wasim Saiti, Chief Executive of Standard Chartered Bangladesh Sethu Venkateshwareen and Head of Corporate Banking Group Mamun Rashid are also seen. — DCCI photo

Rats, birds, monkeys hinder food autarky

Bangladesh is heading towards self-sufficiency in food as farmers across the country bagged bumper crop this year, reports BSS.

Talking to BSS yesterday Agriculture Minister Begum Matia Chowdhury said every year birds, monkeys and rats eat up 15 lakh metric tons of food and if crops could be saved especially from the invading rats there would be no food deficit in the country.

She said the food deficit reached some 40 lakh metric tons in 1998 after the worst flood that damaged hundreds of acres of cultivated lands and standing crops. She, however, said three consecutive bumper harvests improved the situation.

Food and agriculture experts predicted that in the beginning of the current fiscal year (1999-2000), food deficit would reach 11 lakh 98 thousand metric tons. But thanks to bumper harvest this year, the deficit is expected to stand at 4 lakh and 2 thousand metric tons.

In 1995-1996 when Bangladesh Awami League came to power, the government had to counter food deficit of 21 lakh metric tons.

According to official figures (1997), Bangladesh with 13 crore population has only one crore 75 lakh acre arable land and after each alternate year

the figure is shrinking.

The government now plans to add two and a half crore metric tons of food to reach self-sufficiency in this sector.

Officials said country's 12 crore and 90 lakh people need 2 crore 13 lakh and 58 thousand metric tons of food (16 ounce for each person per day). They fixed production target at 2 crore and 24 lakh metric tons to meet this demand.

The estimate includes 18 lakh metric tons aus, 95 lakh metric tons aman crops, 92 lakh metric tons boro crops and 19 lakh metric tons of wheat.

Matia Chowdhury said: "We prudently followed crop management policy after government of Prime Minister Sheikh Hasina came to state power."

"We served fertiliser to farmers, high yielding seeds and pesticides and continued to provide fuels for them defying general strikes," she said.

The minister said radical change in fertiliser application was ensured and bio-manure replaced the place of granular SSP fertiliser. She said the farmers are using integrated pest management (IPM) instead of traditional pesticides.

"We achieved three consecutive bumper harvests and if this trend continues we will reach self-sufficiency in food in near future," the minister hoped.

Grand Alliance, Americana Ships reach accord on trade

The member lines of Grand Alliance and Americana Ships recently announced that an agreement had been reached on the Alliance's entry into the transatlantic trade with effect from July 4 this year, says a press release.

Under the agreement, which is subject to regulatory approval, Grand Alliance will cooperate with Americana Ships, representing Lykes Lines and TMM Lines, in deploying state-of-the-art modern tonnage on five separate loops providing shippers with an extended range of direct port calls in Europe, the USA, Canada (Halifax), and Mexico.

The members of Grand Alliance and Americana Ships have committed jointly to the most comprehensive service available on the transatlantic trade with service frequency outpacing any competing consortium. They look forward to discussing final details with their customers in due course, it said.

New chairman, vice-chairmen of Prime Bank



K M Khaled, Chairman

K M Khaled, Director GETCO Ltd, has been elected Chairman of the Board of Directors of Prime Bank Limited.

Khaled, who is a sponsor-director of the bank, will take the charge on June 1, 2000.

The board also elected M Aminul Haque and Syed Sadullah Ahmed, both sponsor-directors of the bank, as vice-chairmen.

The election was made at a board meeting on Thursday, says a press release.

K M Khaled obtaining his graduation in Mechanical Engineering from Bangladesh University of Engineering and Technology, Dhaka. He joined WAPDA as a Mechanical Engineer in 1962. He left government services in 1975 to establish GETCO Ltd, the sole agent of caterpillar of USA.

M Aminul Haque completed his graduation in Mechanical Engineering from Bangladesh University of Engineering and Technology, Dhaka. He joined WAPDA as a Mechanical Engineer in 1962. He left government services in 1975 to establish GETCO Ltd, the sole agent of caterpillar of USA.

After leaving WAPDA, he joined Dhaka Polytechnic Institute as a Lecturer/Instructor. He left this service in 1972 and established GETCO as its Managing Director, the position he still holds.

Syed Sadullah Ahmed did his Masters in Applied Physics and Electronics from Dhaka University. He joined GQ Ball Pen Industries as a Director and is presently working as the Managing Director of GQ Foods Ltd and other concerns of GQ Group.



Group photo of the workshop on organisational behaviour shows the participants with Dr. Bazlul M. Chowdhury, Vice Chancellor of IUB, and the chief guest of the certificate awarding ceremony Amir Khosru Mahmud Chowdhury, MP on Monday. — IUB photo

OPEC may not make changes if market stays stable Norwegian unions call of strike

LOS ANGELES, May 9: Saudi Arabia's oil minister said Monday he is content with the current level of oil prices and suggested OPEC is not likely to make changes if the market remains stable when its leaders meet next month, says AP.

Alli Al-Naimi joined a chorus of leaders from the Organisation of Petroleum Exporting Countries who recently have expressed satisfaction with current market conditions.

"The price is in an excellent range. The market is stable. I would like to keep it that way if we can," Al-Naimi said during a news conference.

Oil prices, which surged as high as \$34 a barrel in late March, have been trading around in the mid \$20 range since OPEC members in April announced they would restore 1 million barrels to 27.7 million barrels a day.

OPEC ministers boosted production to the benefit of the United States and other countries who argued that high prices were slowing world economic growth.

A final decision on future price and production targets,

Al-Naimi said, will depend on a review of May market data by OPEC heads of state during their June 21 meeting.

"If the market stays the way it is, as stable as it is, we may go nothing in June," he said.

June intermediate crude rose 80 cents to \$28.09 in trading Monday on the New York Mercantile Exchange, a six-week high, responding to a heat wave sweeping through the Northeast.

Earlier on Monday, OPEC President Ali Rodriguez, who is also Venezuela's oil minister, and acting OPEC Secretary General Shokri Ghanem of Libya said they expected OPEC's target price range of 22 to \$28 per barrel to remain in place through the end of 2000.

They spoke at a news conference in Caracas, Venezuela. The oil ministers of Qatar and Algeria also have said recently they see no reason for change.

OPEC has said it will try to stay within the target price range by adjusting output up or down as necessary.

OPEC curtailed production in March 1999 in a campaign to boost prices from record lows

that caused severe economic problems in oil producing countries, but were a boon to consumers in the United States and Europe. So far, OPEC members have kept to their production quotas in an unusual show of discipline.

Al-Naimi attributed the greater discipline to close involvement by heads of state of the member nations, and to recognition that exporters will benefit more in the long run from a stable market.

A Reuters report from Oslo says: Norwegian unions called off a six-day strike today after agreeing a 2000 pay deal, preventing it from escalating into the nation's most serious labour dispute since the 1930s.

The strike, by 86,000 workers, has cut oil exports and crippled businesses including hotels, cinemas, construction to check off supplies of parts to foreign car makers including BMW and Saab.

"We have come up with a proposal which has been recommended by both parties," state mediator Reidar Webster told a news conference

ROK to inject \$4.5b into two ailing investment trusts

SEOUL, May 9: South Korea said today it would inject about five trillion won (\$4.5 billion) into two large investment trusts in an effort to prop up an industry whose poor health has spawned fears of another financial crisis, says Reuters.

Daejeon Investment Trust and Korea Investment Trust, Korea's two biggest fund managers, would receive the funds in tranches beginning in June, said Nam Sang-duck, head of the restructuring task force at the Financial Supervisory Commission (FSC).

The bail-outs underline the government's commitment to shore up an industry that has been a weak link in the financial system. The sector's chronic problems turned into a crisis when major trusts were saddled with the bulk of Dae-

wo Group's debt.

Daewoo, with 89 trillion won (\$80 billion) in debt — \$25 billion more than its assets — is undergoing dismemberment by its creditors, who rescued it from imminent bankruptcy last July.

Two government agencies, the Korea Asset Management Corp (KAMCO) and Korea Deposit Insurance Corp (KDIC), will inject money into the two trusts. KDIC will also issue asset-backed securities to finance the bail-outs.

Nam said the FSC will announce due diligence results on the two trusts and the size of each public fund tranche on Friday.

Investment trusts are among the country's biggest buyers of stocks and bonds and their woes have been a major factor

in the swooning equity market.

The key index on the main board Korea Stock Exchange — Asia's best performer last year — has fallen 25 per cent since the start of the year. The over-the-counter Kosdaq has plunged 32 per cent, giving up much of its gains from last year.

The government move comes ahead of a July 1 deadline, when investment funds established before November 1998 have to value their securities at market prices, instead of book value.

Concerned that the value of their holdings might shrink drastically under the new system and discouraged by the lagging performance of the stock market, investors have been withdrawing money from the trusts in favour of bank deposits, analysts said.

\$1.6m output loss per day DESA plans survey on RMG power crisis

In the wake of 1.6 million dollar production loss a day due to intermittent power disruption, a survey on readymade garment factories in the city will be conducted as a process to free the export-oriented industry from the crisis, reports UNB.

"Field work of the survey will begin within the next 3-4 months and possible steps will be taken on the basis of the report," DESA Chairman Sharifuzzaman Bhuiyan told a BGMEA delegation who called on him at his office Monday.

Bangladesh Garment Manufacturers and Exporters Association (BGMEA) vice president Anisul Huq led the delegation. Sharifuzzaman said the location of garment factories merged with other domestic power consumers makes the supply of power separately to the factories very difficult.

"DESA has taken up the survey project to overcome the problem and maintain uninterrupted power supply," he said.

DESA chairman assured the BGMEA delegation of considering further support to the garment exporters with the existing supply capacity.

On mandatory Power Factor

Improvement (PFI) system, he said DESA can take the initiative to install the system if the owners are unable to do so.

The owners will repay the expenditures in installments.

He also indicated same steps to install substations at the factories provided the government gives necessary approval.

Inclusion of BGMEA representatives in the DESA management board also depends on the approval of the government, but one representative can be included in each of the 16 zones of DESA, he said.

Anisul Huq apprised the DESA chairman of the daily production loss of US \$1.6 million due to power problem.

"It's urgent to develop economic infrastructure, including solution of the power problem, for existence of the garments industry," he said.

The BGMEA vice president called upon the DESA chairman to repeal peak hour revenue and mandatory PFI system, allow power use up to 100 kilowatt instead of 50 kw without installing substations and include BGMEA representative in the DESA management board, said a press release.

First Dell server show in city today

Uday Sanghani, Regional Sales and Marketing Manager, Server and Storage Centre of Competence, Dell Computer Asia Pacific Sdn., world's leading direct computer systems company and a leading provider of PC servers, is in Dhaka to conduct the first Dell server show in Dhaka, says a press release.

Arranged by Syscom, the show will be held at the Sonargon Hotel today.

Dhaka to get Tk 342 cr EU grant

A "Financing Agreement" was signed between the government and the European Commission (EC) for a grant of 700 million equivalent to approximately Tk 342 crore to Bangladesh, says UNB.

The grant will be used for Health and Population Sector Programme (HPSP) to improve the present health status of the people.

Secretary of Economic Relations Division (ERD), Dr Masihur Rahman, and Ambassador in Bangladesh, Antonio de Souza Manzes, signed the agreement on behalf of their respective sides.

Euro zone ministers disappoint market with works, no move

Euro comes under fresh pressure

BRUSSELS, May 9: The euro came under renewed attack yesterday after a meeting of the 11 euro-zone finance ministers expressed concern, but did not signal any action, over the weakness of the single currency, reports AFP.

The finance ministers repeated a familiar formula that the rate of the euro did not reflect robust growth in the euro zone, but they did stress that they would pursue budgetary discipline and structural change.

But the single currency fell back below a psychological level of 0.90 per dollar after earlier rising on speculation the ministers' meeting might order

intervention to prop up the euro.

The EU finance ministers said they had adopted a proposal to double the European Central Bank's official reserves to around \$9 billion euros (79 billion dollars) based on a transfer of reserves from the 11 national central banks of the euro zone.

The move significantly increases the reserves at the ECB's disposal in case of a possible intervention. German Finance Minister Hans Eichel said the increase had been planned for several months.

In London, economists said that the market had been hoping for a show of concrete support for the troubled currency

and not merely an expression of concern.

NatWest GFM currency analyst Michael Metcalfe said that given the aggressive tone of comments from various European politicians and ECB officials over the course of last week, a mere statement was always likely to be insufficient to prop up the euro.

"It's quite strange the way they seem to foster expectations that something's going to happen and then do very little. I suppose you could say that at least they said something, but while the risk of intervention is increasing, it's going to take more than words," Metcalfe said.