

Industrial world near deal on easing aid conditions

'DAC moving in the right direction'

PARIS, June 16: Industrial countries have made progress towards agreement on giving the world's poorest countries a free hand in choosing companies to carry out aid-funded projects and hope to finalise a deal next week, a senior OECD official said yesterday, reports AFP.

"Progress is continuing in the right direction," and members of the 23-member development assistance committee (DAC) are now "close to consensus," DAC chairman Jean-Claude Faure told the news agency.

"The elements of a compromise are being prepared." The DAC members have been trying to reach agreement on ending the so-called tying of aid to the world's poorest countries a system where the aid recipient is forced to use only companies from the donor country in carrying out the project being funded — for the past two years.

A DAC meeting in May was able to report progress, and decided to allow a final month-long "period of reflection" to try

and resolve remaining problems before a final meeting next Tuesday, June 20.

DAC members had made good use of the month, Faure said, to hold bilateral talks and consultations and "concrete progress has been made" in a spirit of effort to seal a compromise.

A DAC ministerial meeting a year ago had failed to reach the hoped for agreement on untangling aid, but Faure said that "during that past year, much has been done to find a consensus and many countries have come a long way" in the effort to find a compromise.

London-based group ActionAid, which is campaigning for complete untangling of aid to the least developed countries, said that Tuesday's meeting "is the last chance for donor countries to show their real commitment to poverty reduction in an era of declining overseas aid and escalating poverty."

It said tied aid increased the costs of projects by up to 25 per cent, and hampered the devel-

opment of national industries in the world's poorest countries because it prevented local groups from bidding for local projects.

ActionAid said that the broad lines of the compromise agreement, which would exclude areas such as food aid and aid-funded technical advice, did not go far enough, but at least once an agreement is reached it can be built on later.

But France and Japan have been resistant to the untangling efforts, arguing that if aid is not tied, the most generous countries can find themselves providing assistance for projects which are carried out by companies from far less generous nations.

Faure refused to speculate on what would happen if the DAC members fail to reach agreement next week, but said that given the level of effort made in the past year to compromise and reach a consensus there would be "little margin for manoeuvre" left for future negotiations if the talks failed.

According to DAC figures,

DAC members' overseas development aid (ODA) rose five per cent in real terms last year to total 56 billion dollars (62.2 billion euros), representing 0.24 per cent of donors' combined gross national product, up from 0.23 per cent the previous year.

Meanwhile an AP report from Tokyo says: Microsoft Corp. founder Bill Gates received an honorary degree from a Japanese university Friday and told students that the information technology revolution will remake the world in the next decade, reports AP.

Gates, who accepted an honorary doctorate in humanities at Tokyo's Rikkyo University, was on a visit to Japan following a ruling last week by a US judge ordering Microsoft to split into two companies.

Gates assured his young audience of Microsoft's commitment to building software, and predicted that student activities like note-taking would one day be done on computerised tablets. He did not mention legal battle back home.



Wearing a mortarboard on his head, Microsoft Chairman Bill Gates is all smiles as he received the Honorary Doctorate of Humanities at the Rikkyo University in Tokyo Friday. —AFP photo

Forbes magazine list shows Bill Gates still the richest with \$60b

NEW YORK, June 16: Microsoft founder Bill Gates is still the world's richest man with a fortune of some 60 billion dollars even though some 40 billion dollars of his wealth has evaporated, Forbes magazine says, reports AFP.

According to the list published annually by the economic review and its sister chronicle Forbes Global, the total net worth of the world's 200 richest people rises above 1.1 trillion dollars.

Concentrating on the world's 200 "Working billionaires," Forbes says in its edition out Friday that they are, on the whole, even richer than they were last year.

The magazine notes that, altogether, the billionaires' fortunes are some 100 billion dollars more than in 1999 — despite a nosedive in many technology stocks this year.

The world's richest person, however, is a good deal poorer than he was last year, according to Forbes, with the drop in value of Microsoft stocks in the wake of the antitrust case brought by the United States.

The world's second richest man, Larry Ellison, the flamboyant founder of Microsoft's high-tech rival Oracle, has a fortune of some 47 billion dollars, according to the publication.

Shares in his company rose more than 500 per cent in value last year. In fact, some days, Ellison's Oracle holdings are worth more than Gates' Microsoft holdings.

The working billionaire now in third place is Paul Allen, co-founder of Microsoft, whose fortune is estimated at around 28 billion dollars.

Two Germans figure on the list of the world's 10 richest people: Theo and Karl Albrecht, owners of discount retailers Aldi, were listed in fifth place, with 20 billion dollars, behind investor Warren Buffett, who with his 28 billion dollars is placed fourth.

Coming in sixth this year is Saudi prince Alwaleed Bin Talal Al Saud, with 20 billion dollars, while Forbes places Robson Walton, a member of the family that owns Wal-Mart, in seventh position, also with 20 billion dollars.

In eighth position is Japan's Internet king Masayoshi Son, who is now worth 19.4 billion dollars, largely in shares of Softbank, according to Forbes.

Masayoshi Son's bid to beat Gates as the world's wealthiest man fell through when, from being worth 68.5 billion dollars on February 18, 2000, profits of Softbank plummeted 77 per cent, and his net worth also plunged.

Indonesian police clears president innocent of embezzlement

JAKARTA, June 16: Indonesian police have cleared President Abdurrahman Wahid of involvement in a multi-million dollar embezzlement scam allegedly pulled off by his masseur, but say they still want to question him, report said today.

"Our investigations and available facts so far show our president is clean," Jakarta police chief detective Alex Bambang Riatmojo was quoted as saying by the Media Indonesia daily.

The scandal centered around 35 billion rupiah (4.1 million dollars) of funds allegedly stolen from the State Logistics Agency (Bulog) by Wahid's masseur Suwondo (eds: one name).

Riatmojo said police still wanted to question the president, but as a witness.

"Questioning the president as a witness should make it clearer that he is not involved," he was quoted as saying by the Kompas daily.

Japan to press G8 for unified global e-commerce rules

Summit at Okinawa July 21

TOKYO, June 16: Japan will press its Group of Eight partners for unified rules on e-commerce financial trading when they convene for their annual summit next month, a senior government official said today, reports AFP.

Information-technology was shaping up to be a major topic at the July 21-23 G8 summit on Japan's southern island of Okinawa, said vice finance minister for international affairs Haruhiko Kuroda.

"International harmonisation is increasingly important because e-finance is global," he told a World Bank-organised symposium.

"If one country has its own rules, that could adversely affect others. In this global world, if you have different regulations for e-finance, it makes life difficult," he said.

The rapid changes being wrought by Internet trading in stocks and other instruments

were making international finance more far-reaching than ever, the official said.

"As a result, trouble can spread more easily and there is a higher systemic risk."

Bodies including the International Monetary Fund had to look into the problem, along with individual governments.

"E-finance is the most advanced example of e-commerce and traditional supervision based on paperwork is inadequate to the task," Kuroda said.

Unified consumer protection rules across the Internet were also essential as the boundaries between online banking, broking and insurance become blurred.

"The challenge, however, should not offset the huge benefits likely to arise from e-finance and e-commerce," the top official added.

The G8 groups Britain, Canada, France, Germany, Italy, Japan, Russia and the Un-

ited States.

Japan's Prime Minister Yoshiro Mori said earlier this month he would call on his G8 colleagues to draw up a major aid package to bridge the 'digital divide' threatening to leave the world's poor further behind.

Mori gave no figures for the proposed aid package, but said it should include IT advice and training to developing nations, and development aid in building their computing infrastructure.

The G8 meeting will issue an "IT charter" designed to achieve sustainable and balanced economic growth through information-technology.

The eight powerful nations will also call on the Organisation for Economic Cooperation and Development and other bodies to speed up efforts to set international rules on e-commerce, the reports said.

Weekly Currency Roundup

June 11-15, 2000

Local Market

During the week, there were only 3 working days due to general strike on June 12 and a public holiday on June 15. The local foreign exchange market was quiet on Sunday as international financial markets were closed for the weekend. On June 13 and 14, forex trading resumed in full swing. Demand for the US dollar was high, but it was comparatively lower than the previous weeks. In the interbank market, USD traded between BDT 51.19 and 51.21. According to Bangladesh Foreign Exchange Dealers' Association (BAFEDA), the daily average USD/BDT turnover was estimated at USD 9.9 million at spot and USD 6.26 million at forward. In the kerb market, USD demand was also high and it was said to have traded above BDT 55.

Bangladesh Bank held its weekly treasury bill auction on Sunday. Total bids offered for treasury bills amounted to BDT 257 crore against the previous week's offer of BDT 913.50 crore. Bangladesh Bank accepted bid for BDT 105 crore only. Most of the banks are holding treasury bills in excess of their statutory liquidity requirement. Higher call money rate and lower treasury bill maturity diverted some of the banks' investment interests from treasury bills to call money market, thus lowering the amount of bids offered for T-bills.

International Market

Trading in the international foreign exchange market was relatively thin due to lack of fresh incentives. The Swiss National Bank raised the interest rate of Swiss franc by 50 basis points to 2.75 per cent. It was expected in order to match the 50-basis point interest hike by the European Central bank the previous week.

Euro is gradually recovering against the dollar after the euro interest rate hike. The bank of England has reiterated its support for pound sterling which helped the British currency to recover its earlier losses.

Tentative signs of a slowdown in the US should not divert attention from the still buoyant global economy. It is no longer a case of a booming US economy generating increased world trade and a healthy export market for Asian, African and Latin American countries. This was the story last year. Now the question is which emerging markets can benefit from the still healthy world trade without suffering under the burden of high US interest rates, higher oil prices an excess volatility in world equity markets?

By contrast, the Japanese are keeping their money at home. So are the Europeans. The net result of his flow of funds is a stronger euro and Swiss franc against the dollar, with more gains to come; a stable, well-managed yen; and a dollar that remains strong against emerging market currencies. — Standard Chartered Bank.

Cairo summit next week G-15 mulls ministerial group at WTO

CAIRO, June 16: Ministers from the G-15 group of developing nations welcomed a Malaysian proposal aimed at boosting their clout as they prepared here yesterday for next week's Cairo summit, Egypt's MENA news agency said, reports AFP.

Malaysia's International Trade Minister Rafidah Aziz suggested her G-15 counterparts meeting here that they form a ministerial group to represent them at the World Trade Organisation (WTO) in Geneva, state-run MENA reported.

The group would stay in contact with international economic forums, coordinate stands on world commerce and promote trade among G-15 states, MENA said, quoting Egyptian Economy and External Trade Minister Yusef Butros Ghali.

Butros Ghali was quoted as saying that the Malaysian proposal was well received by the G-15 trade and economy ministers who started meeting here Thursday in anticipation of the two-day G-15 summit starting Monday.

The G-15, founded in 1989 to counter the power of the wealthy, industrialised nations, actually groups 17 nations. They are Algeria, Argentina, Brazil, Chile, Egypt, India, Indonesia, Kenya, Jamaica, Malaysia, Mexico, Nigeria, Peru, Senegal, Sri Lanka, Venezuela and Zimbabwe.

Egyptian Foreign Minister Amr Mussa said here Wednesday that the G-15 will try to forge a common stand at the summit to fight the negative effects of globalization, in time for the G-8 industrial group meeting in Japan in July.

Mussa said Egyptian President Hosni Mubarak will contact the G-8 leadership to convey the G-15 position once it is adopted.

Egyptian officials said the meeting here will discuss support for small and medium-sized enterprises in the G-15 group, "real locomotives for employment and growth."

Government of the People's Republic of Bangladesh

Office of the Executive Engineer
Sylhet Public Works Division, Sylhet

Tender Cancellation Notice

It is hereby notified for information of all concerned that the Tender Notice No EE/E/M-70/1999-2000 invited vide this office Memo No 1277 dated 14-5-2000 for the undermentioned work is cancelled under unavoidable circumstance.

Name of work: Yearly operation, maintenance & servicing of 6 Nos bed lifts & 6 nos. passenger lifts of Sylhet MAG Osmany Medical College Hospital. (1-7-2000 to 30-6-2001)= 1 (one) year.

Executive Engineer
Sylhet Public Works Division
Sylhet

DFP-14627-8/6
G-1168

US-Vietnam talks likely in July

Bid to tear down trade barriers

WASHINGTON, June 16: A high-level meeting between US and Vietnamese trade negotiators is expected within the next month with the aim of closing a deal to tear down trade barriers between the former enemies, the US ambassador to Vietnam told a congressional panel yesterday, reports Reuters.

US Trade Representative Charlene Barshefsky in May invited Vietnam Trade Minister Vu Khoan to visit Washington to resume talks on the long-stalled trade pact.

"It looks like there's light at the end of the tunnel. I've been told informally that the Vietnamese would like to come to the United States to finalise the bilateral agreement," Ambassador Pete Peterson told the House Ways and Means subcommittee responsible for US trade policy.

Washington and Hanoi reached an agreement in principle on the trade pact in July 1999. But Vietnam subsequently backed away from the deal, saying some provisions were unfair.

The pact, which took three years to negotiate, would reduce tariffs on goods and services, protect intellectual property and improve investment relations between the two countries, combatants in the Vietnam War, which ended in 1975.

Analysts say communist

Vietnam had balked at signing the deal partly because it fears the loss of economic control that such a market-opening pact would entail.

The delay has darkened the mood among foreign investors, fed up with Vietnam's closed economy and high costs.

US officials have said they would be willing only to clarify details of the pact, not renegotiate.

Once finished, the trade agreement would have to be approved by the US Congress.

As a stopgap measure, lawmakers were expected next month to extend Vietnam's eligibility for US export programmes for another year.

Economists have said Vietnam needs to make the sort of commitments to economic liberalisation that would come under a trade agreement with the United States.

In return, Vietnam would get access to the US market at the same low tariffs accorded to most nations.

"It's very key to their economic recovery," Peterson told the House subcommittee adding that the trade pact would boost Hanoi's prospects of joining the World Trade Organisation.

A trade agreement would mark a major turning point in economic relations between the two nations. Hanoi and Washington normalised diplomatic relations in 1995.

Strong truck demand proves boon US automakers gain on factory productivity

DETROIT, June 16: Strong demand for trucks helped American automakers boost the efficiency of their factories in 1999, closing a decade-old gap with foreign automakers, says AP.

For the first time in the 11-year history of the Harbour Report on auto factory productivity, an American automaker — Ford Motor Co — had the most efficient car and truck assembly plants in North America.

Ford's Atlanta car assembly plant and its St. Paul truck plant beat out Nissan's Smyrna, Tennessee site, which builds cars and trucks and came

in second in both rankings.

General Motors Corp. was cited as most improved by Ron Harbour, president of Harbour and Associates, who said the company had made large strides toward making its plants more efficient after several years of lagging behind the competition.

"There are individual plants throughout the Big Three that can really match the Toyota and Nissan plants," Harbour said. "It's a huge step from where they were 10 years ago, but it's not all there."

Harbour ranks productivity by the average number of labour hours it takes to build a vehicle. Workers at Ford's Atlanta plant averaged 17.16 hours for every Ford Taurus and Mercury Sable they built, while Nissan's Smyrna plant averaged 17.53 hours for every Altima sedan.

In trucks, Ford's Twin Cities plant averaged 19.97 hours for every Ranger pickup, while Smyrna averaged 19.09 hours for every Frontier pickup and Xterra sport utility vehicle. When broken into 12 vehicle categories, Ford took the top spot in 11, missing only subcompact cars.

Japanese manufacturers still came out on top overall, in part because they have fewer and newer plants in North America than Ford, GM and DaimlerChrysler AG. Nissan had the best average productivity of 18.22 hours per vehicle, followed by Honda at 20.26, and Toyota with 21.75.

Ford averaged 23.23 hours per vehicle, while GM averaged 28.41 and DaimlerChrysler averaged 30.05.

GM's overall efficiency was up 8.8 per cent, more than any other manufacturer with more than one factory in North America.

Harbour said GM's gains were notable because the company had started learning lessons from its California joint venture with Toyota to cut costs.

"Many of the GM plants right now are looking very Toyota-like," Harbour said.

Government of the People's Republic of Bangladesh

Local Government Engineering Directorate
Small-size Water Resources Development Sector Project
LGED Bhaban (Level-11), Agargaon
Sher-e-Bangla Nagar, Dhaka-1207

Memo No LGED/SSW/PD-P-82 (Part 03/95/1579) Dated: 04-6-2000

Licence Renewal Notice

It is hereby notified for information of all class enlisted contractors of thana & union level Small-size Water Resources Development Sector Project that the time limit of their licence renewal will expire on 30-06-2000. Licence for 2000-2001 financial year can be renewed from the office of the undersigned and all Executive Engineers under this project by 30-07-2000. Renewal fee of Tk 2000.00 (two thousand) for A-class & Tk 1,500.00 (one thousand five hundred) for B-class should be deposited in the form of CD/BD from any scheduled bank in favour of "Project Director, Small-size Water Resources Development Sector Project." Otherwise they cannot participate in tenders invited for 2000-2001 financial year. All interested contractors are requested to renew their licence by depositing the licence renewal fee by the prescribed time.

Md Nurul Islam

Project Director
Phone: 9127411

DFP-14410-7/6
G-1169

Bangladesh Agricultural Development Corporation

Krishi Bhaban
49-51, Dilkusha Commercial Area, Dhaka-1000
(Purchase Division)

Local Tender Notice

1. Tender no. & date : 1-SEED(P)162/99-2000 dt: 8-6-2000.
2. Description of : a) 50 KVA Generators — 3 nos.
stores b) Furnishing Sheet — 15 nos.
3. Sale price of : Tk. 300.00 (Taka three hundred) only.
tender documents (non-refundable)
4. Last date of selling : 26.6.2000.
of tender documents
5. Date & time of : 27.6.2000 at 12.00 hours.
submission of tender
6. Date & time of : 27.6.2000 at 12.05 hours.
opening of tender
7. Place of : Tender box kept in front of the Purchase
submission of Division (3rd Floor), BADC, Krishi
tender Bhaban, 49-51, Dilkusha C/A., Dhaka-1000.
8. Place of opening of : In the office room of Manager (Purchase)-
tender 1, Purchase Division (3rd Floor), BADC, Krishi Bhaban, 49-51, Dilkusha C/A., Dhaka-1000.
9. Source of fund : Local currency/GOB fund.

NB: 1) Tender documents can be purchased on cash payment from the Cash Section of Accounts Division (3rd Floor), BADC, Krishi Bhaban, 49-51, Dilkusha C/A., Dhaka-1000.
2) No tender documents will be sold on the date of opening of tender.
3) No tender documents or part thereof will be accepted after opening of tender.

Abdul Gafur Khan

Manager (Purchase)-1
BADC, Dhaka.

ADC-1265
DFP-14840-11/6
G-1171



BJMC International Tender Notice

International sealed quotations are hereby invited in duplicate from the bonafide manufacturers/importers/suppliers/dealers/indentors by the Manager (Project Head), Juto-Fibreglass Industry, Tarabo, Rupgonj, Narayanganj for supply of Chemicals (Industrial Raw Materials) at C&F Ctg (Resin, Pigment, Glassfibre) etc.

Tender schedule with details particulars and specification will be available at the office of Dy General Manager & Liaison Officer, BJMC Dhaka Zone, Karim Chamber (4th Floor), 99, Motijheel C/A, Dhaka-1000 & Accounts Deptt., Juto-Fibreglass Industry, Tarabo, Rupgonj, Narayanganj up to 29-6-2000 on any working day during office hours with payment of Tk 100.00 (one hundred) only per set (non-refundable).

Tender will be received up to 12:00 Noon on 2-7-2000 in the tender box kept at mill site & BJMC Dhaka Zone, Karim Chamber (4th Floor), 99, Motijheel C/A, Dhaka-1000 and will be opened on the same day at 12:30 PM in presence of tenderer (if any). Earnest money @ Tk 1% of quoted price but not less than Tk 1,000/- (one thousand) only to be submitted in the form of DD or PO along with the quotation favouring "Juto-Fibreglass Industry." If any unavoidable circumstance arises, tender box will be opened on the following working day.

Authority reserves the right to accept/reject the tender fully/partially without assigning any reason thereof.

BJMC: 318 dt 7-6-2000
DFP-14895-11/6

G-1170