

# 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 untying 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 untying 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 development

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 untying 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, 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.

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.

## 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.

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 became 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 United States.

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-commerce, the reports 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 stores : a) 50 KVA Generators — 3 nos. b) Fumigation Sheet — 15 nos.
3. Sale price of tender documents (non-refundable) : Tk. 300.00 (Taka three hundred) only.
4. Last date of selling of tender documents : 26.6.2000.
5. Date & time of submission of tender : 27.6.2000 at 12.00 hours.
6. Date & time of opening of tender : 27.6.2000 at 12.05 hours.
7. Place of submission of tender : Tender box kept in front of the Purchase Division (3rd Floor), BADC, Krishi Bhaban, 49-51, Dilkusha C/A, Dhaka-1000.
8. Place of opening of tender : In the office room of Manager (Purchase)-1, Purchase Division (3rd Floor), BADC, Krishi Bhaban, 49-51, Dilkusha C/A, Dhaka-1000.
9. Source of fund : Local currency/GOB fund.

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.

## BCIC Tender Notice

বিসিআইসি'র পণ্য শিল্পানন্দে জাতীয় অঞ্চলিক প্রতীক

The Managing Director, Bangladesh Insulator & Sanitaryware Factory Limited, Bux Nagar, Mirpur, Dhaka invites sealed tenders in two-envelope system for supply of 50 M Tons Lime Stone (Glase) against Tender No. 1028 and 25 kg Over Print Liquor & 5 kg Squeezee Oil against Tender No. 1029. Tender documents will be available from (i) BCIC, 30-31, Dilkusha, Dhaka, (ii) BCIC Branch Office, 6, Agrabad, Chittagong & (iii) BISF at Tk. 25.00. Tender will be received up to 11-00 AM on 03.07.2000 at BCIC Head Office & BISF and opened immediately thereafter. No tender documents will be sold on the date of opening of tender.

BCC 470-6/6/2000

DFP-14860-11/6

G-1173



## 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, Narayangonj 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, Narayangonj 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/partly without assigning any reason thereof.

BJMC 318 dt 7-6-2000

DFP-14895-11/6



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

## 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, foreign 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 International 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 or 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

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.

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.

Analysts say communist

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.

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

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.

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There are individual plants throughout the Big Three that can really match the Toyota and Nissan plants," Harbou said.

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 Harbou, president of Harbou and Associates, who said the company had made large strides toward making its plants more efficient after several years of lagging behind the competition.

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Ford's Atlanta plant 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 compact 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. GM 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. Harbou 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," Harbou said.

## 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 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.