

DAEWOO
ELECTRONICS

29" Colour TV with
8 Picture in Picture &
Nicom Stereo Sound
Also Available 14", 20", 21"

TRINCO LIMITED—Authorized Distributor of DAEWOO Electronics
Dhaka: 8115307-10 CTG: 716353, 723578 Khulna: 720304 Bogra: 6215

The Daily Star BUSINESS

DHAKA, WEDNESDAY, JUNE 28, 2000

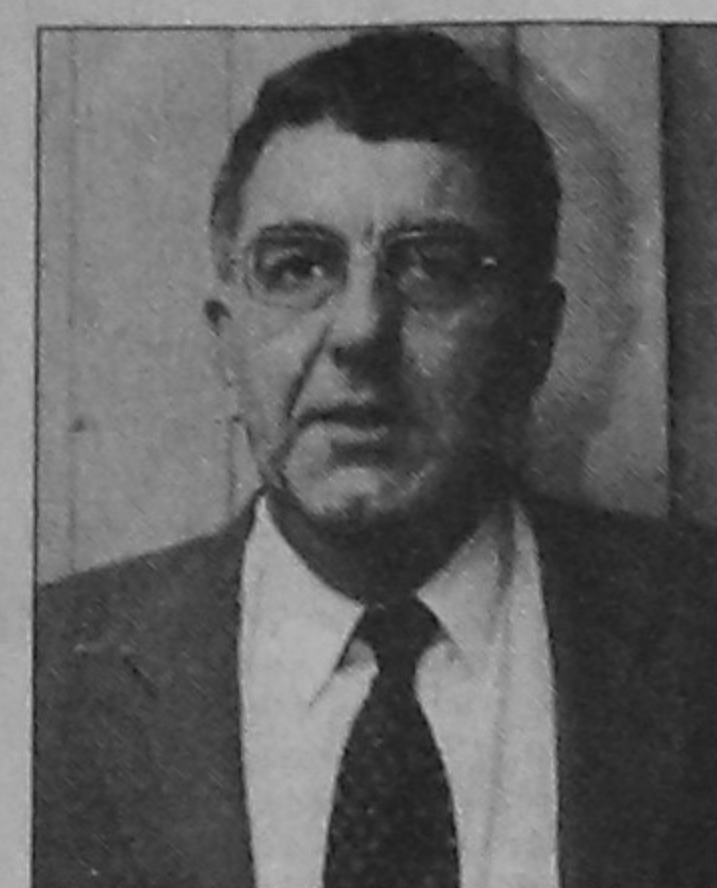
Beauty & Barber Salon

SAVVY — 10 am-8 pm for Ladies — 10 am-8 pm for Gents

Tk. 200 for Lady's & Gent's Haircut

Beauty Packages • Bridal Make-up & Decoration • Skin Care Program
Manicure & Pedicure • Facial • Waxing • Permanent • many more...

THE PAN PACIFIC SONARGAON
Dhaka: 8111005 Ext: 4144 (Gents) 4143 (Ladies)



Ola Ree takes over as GP MD today

Star Business Report

Ola Ree will take over as Managing Director of GramenPhone Limited today.

He will replace Trond Moe who ends his more than two-year-long tenure at GramenPhone, says a press release.

Ola Ree has long managerial experience from Telenor, the state-owned Telephone company of Norway and a shareholder of GramenPhone.

He was with Telenor Mobile Communications with the responsibility to look after 15 Telenor mobile telephone operations in Europe and Asia.

He had previously served as Technical Director of another Telenor GSM joint venture, Kievstar, located in Ukraine.

A Norwegian national, Ola Ree, 46, is an engineer by profession. He has been with Telenor since 1977.

ICMAB roundtable on CMAs' role in new millennium

A discussion session on 'Cost and Management Accountants' role and strategies for the new millennium was held in the city recently, says a press release.

M Abdul Kalam Mazumdar, FCMA, President of ICMAB, conducted the session.

All the past presidents and council members of the Institute of Cost and Management Accountants of Bangladesh (ICMAB) were discussants at the roundtable.

They discussed the aims, objectives and strategies of the institute for development of the CMA profession in the new millennium.

The participants stressed the need for I.T. education, computer skill development, English language and communication skills development and strengthening international relations to equip the members with managerial capability.

The participants also observed that Cost and Management Accountants (CMAs) should contribute to managerial planning and control of an organisation.

Those who participated in the discussion with past presidents Uttam Ali Miah FCMA, Nurul Hassan FCMA, Habibur Rahman FCMA, Md Ishaque FCMA, Chowdhury Hafizur Rahman FCMA, Rafiq Ahmad FCMA, Muzaffar Ahmed FCMA, Md Mujibur Rahman FCMA, Vice-President, ABM Shamsuddin FCMA, Secretary, AKM Delwar Hussain FCMA, Treasurer, Md Abdul Aziz Miah FCMA, Council Member, and Mantaz Uddin Ahmed FCMA, Council Member.



New MD of Mercantile Insurance

Md. Nuruzzaman Khan has assumed the office of the Managing Director of Mercantile Insurance Company Limited, says a press release.

Khan started his career in the then East Pakistan Co-operative Insurance Society in 1964.

After Liberation, he joined Karnaphuli Bima Corporation and subsequently Sadharan Bima Corporation and performed important responsibilities till November 1986.

He joined Karnaphuli Insurance Company Limited in 1986 and in 1987 started working with Central Insurance Company Limited as its Vice-President.

Khan joined Mercantile Insurance as Senior Vice-President in 1996. In 1998, the management of the company entrusted him with the responsibility of Managing Director (current charge).

Housing Authority Bill placed JS passes Insurance (Amendment) Bill

The Jatiya Sangsad yesterday passed the Insurance (Amendment) Bill, 2000 creating new option for investment by insurance companies in the capital market, reports BSS.

The bill also restricted a director of such an insurance company to become director of other insurance companies.

Commerce Minister Mohammad Abdul Jalil moved the bill for passage which got unanimous approval of the House. No member moved any amendment to the bill.

Major opposition parties including BNP, JP and Jamaat, however, abstaining from participating in the proceedings of the House.

As per the amended bill thirty per cent of fund of insurance company shall be invested in Government Securities.

The bill was introduced in the House on June 6 during the current session and sent to the standing committee on the ministry of commerce for scrutiny and reporting back to the House with recommendations.

The standing committee after detail scrutiny sent back the bill to the House for passage.

Meanwhile, a new bill empowering the government to set up the National Housing Authority was also introduced in the Jatiya Sangsad.

Minister for Housing and Civil Aviation Engineer Mosharraf Hossain tabled the Bill and later on his proposal it was referred to Parliamentary Standing Committee on Ministry of Housing and Works for scrutiny and report back to the House within a week.

With the establishment of the Authority, the present Housing Directorate and Office of the Commissioner (settlement) will be abolished and all assets and liabilities of the two organisations including officers and employees will be transferred to the new organisation.

In the wake of the expanding population and to ensure people's basic rights of having a shelter, the National Housing Authority has been proposed under the bill.

The terms of reference of the authority included creation of planned housing in urban and rural areas, sell, lease out or allot houses, flats apartments, attract investment for housing projects both from home and abroad and undertake research on housing programme.



M Abdul Kalam Mazumdar, FCMA, President of ICMAB, past presidents and other council members of ICMAB are seen at the discussion session on 'Cost and Management Accountants' Role for the new millennium' held in the city recently. — ICMAB photo

Holzman sees many areas for US-Bangladesh co-op

Outgoing US Ambassador to Bangladesh, John C Holzman, has said that there are many sectors to further expand Bangladesh-US cooperation and assistance, reports BSS.

While making a farewell call on Prime Minister Sheikh Hasina at her Sangsad Bhaban office yesterday, Holzman said that there exists very excellent relations between the two countries.

Holzman termed the visit of US President Bill Clinton to Bangladesh as the major event in Bangladesh-US relations.

The US envoy told the prime minister that his stay in Bangladesh was "memorable" and "fruitful" and he acknowledged with deep gratitude that he received all cooperation during his stay here and in discharging his responsibilities.

Earlier, the US envoy felicitated the Prime Minister for Bangladesh's winning the Test Status in cricket. "I noticed that the whole nation celebrated the achievement with great rejoice," he said.

Expressing her unanimity with the sentiment expressed by the outgoing US envoy, the Prime Minister said that there exists very excellent relations between the two countries.

Referring to the visit of President Jefferson Bill Clinton to Bangladesh, the Prime Minister said we are very happy that the US President started his south Asia tour from our soil.

The prime minister, while highlighting various achievements attained by the nation,

said that some more time would be essential to establish a strong democratic culture in the country. "Our first priority is to alleviate poverty and attain economic prosperity of the country," she added.

Principal Secretary to the Prime Minister Dr S A Samad and Foreign Secretary C M Safi Shami were present on the occasion.

The US envoy also made a farewell call on Executive Chairman of the Board of Investment (BOI) M Mokammel Haque.

During the meeting, Holzman expressed his satisfaction at the existing friendly relations between the two countries.

He hoped that trade and investment ties between USA and Bangladesh would further expand and strengthen in the future.

Ainpur Cement goes into full operation July 1

SYLHET, June 27: Ainpur Cement Factory, the country's first private sector cement plant, goes into operation in full swing on July 1, says UNB.

The limestone-based factory, set up in 1993 at Chhatrak, produces 'Royal Bengal Tiger' brand cement. It has installed modern machinery to produce quality cement.

The factory presently produces 2,000 bags of cement a day and the quantum will go up after the installation of gas generators and modern packing plants, factory sources said.

Addressing the meeting, he urged the Bangladeshi entrepreneurs to create enabling environment for stopping brain drain from the country to the west.

The envoy said "around 80 per cent students studying in the USA never returns home as they lack suitable placement."

Holzman underlined the need for creating necessary condition of work and living here to utilise the capacity of Bangladeshi students studying abroad especially in the USA.

Recalling the US-Bangladesh relationship based on development assistance, the US Ambassador hoped for new dimension of bilateral relationship through increased investment of US companies in the years to come.

But analysts warn that even these industry giants will face long odds at turning this scientific achievement into treatments for disease.

"This is an important step forward, but it's still a long road to hoe in developing new medicines," said Joseph Zammitt-Lucia, president of the London-based Cambridge Pharma Consultancy.

In some respects, Monday's announcement was more a symbolic moment because information about the human genome has become public periodically over the past decade.

"Today does not change anything," said Lee Babie, vice president of clinical research at Hoffmann-La Roche. "We only have the added recognition that we have everything in place. It will take a while to figure out how best to use this ocean of information."

Researchers years ago identified found genes for specific diseases such as cystic fibrosis, but finding effective medicines to prevent or cure the conditions has proven elusive.

More often, drugs have been discovered through gene research via serendipity. That was the case with development of two new arthritis painkillers — Merck and Co's Vioxx and Pharmacia Corp's Celebrex.

The dilemma for drug firms

EPB proposes \$6314m export target for next fiscal

Export Promotion Bureau (EPB) has proposed an export target of US\$6,314 million for the 2000-2001 fiscal year representing a 10-per cent export growth, reports UNB.

The target was set at a meeting on Monday with EPB vice-chairman AB Chowdhury presiding.

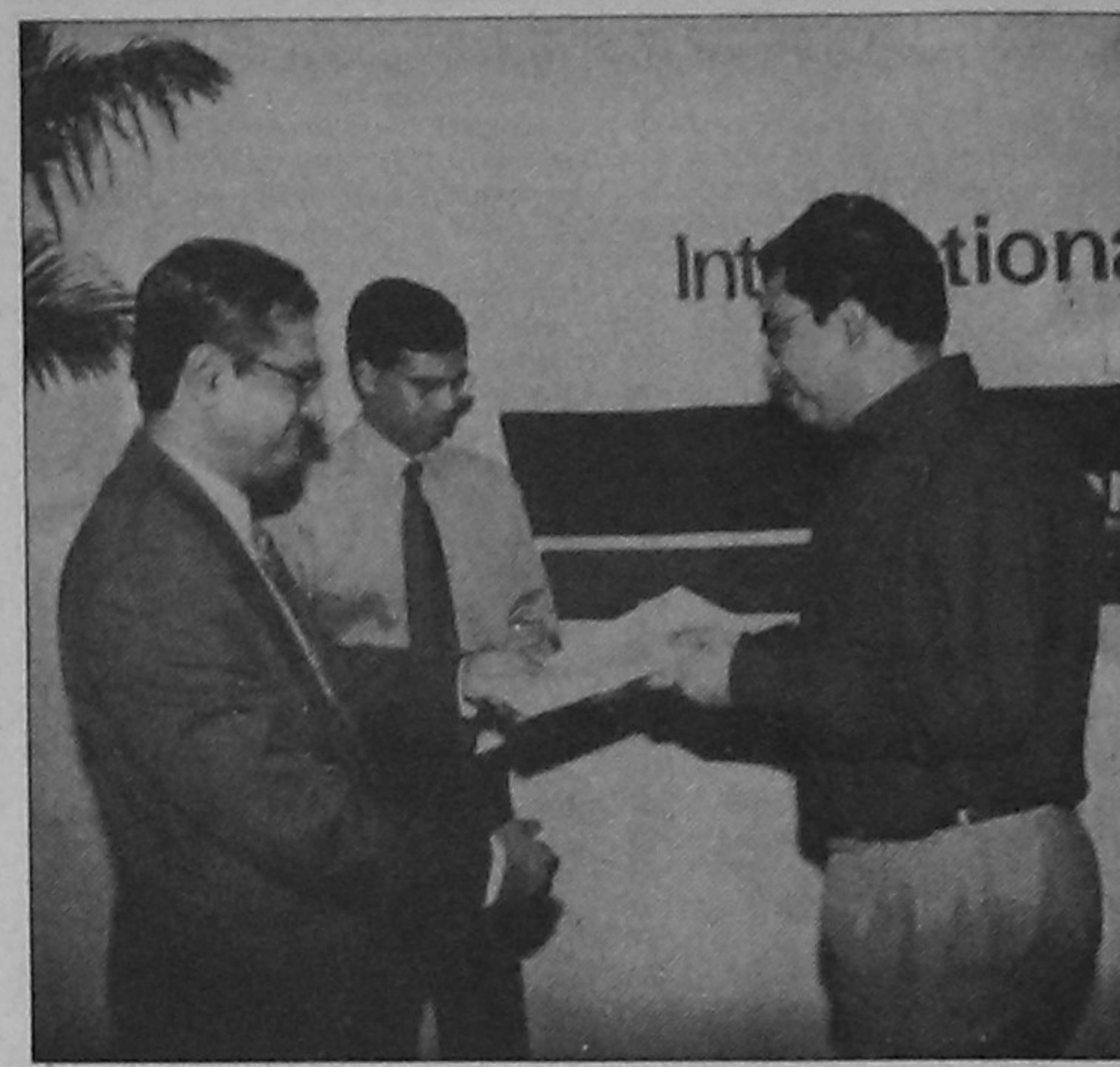
Representatives of chambers and trade associations were present at the meeting.

However, the meeting hinted that the ministry of commerce might revise the target downward at US\$6,200 million showing an 8 per cent growth, meeting sources said.

The export target for 1999-2000 was set for 8 per cent growth over the previous year.

The meeting was apprised that the export earning should reach US\$1,100 million during the last two months (May-June) of the current fiscal year to achieve the target of US\$5,738 million.

The country's export earning stood at US\$4,593 million in first 10 months (July-April).



Waliur Rahman Bhuiyan, FICCI president, hands over certificate to a participant of the workshop on International Trade Management for bank executives recently. Majedur Rahman, Head of Operations of Standard Chartered Bank, is also seen in the picture.

—Interspeed photo

Infrastructure, tech dearth hits export sector growth

CPD research director's study paper says

Star Business Report

Lack of adequate infrastructure facilities, absence of technology infusion and management weaknesses have severely constrained the performance of the export sector and its move towards diversification.

The country needs new measures to develop infrastructure and stimulate investment although there are attempts in the budget to address some of these weaknesses, including modernisation of the Customs Act, 1969 and introduction of the mandatory pre-shipment inspection (PSI), according to an expert.

Bangladesh's external sector is reeling under considerable strain due to a decelerated export growth in the 1998-99 financial year and the country needs a dynamic export strategy since foreign aid disbursement has been sliding, he said.

"In order to regain the double digit growth of the early '90s, Bangladesh needs to take new steps to develop export-related infrastructure and stimulate investment in export-oriented activities," observed Mustafizur Rahman, Research Director of the Centre for Policy Dialogue (CPD), in a study paper titled "Performance of the external sector in FY 2000: Growth dynamics and emergent concerns".

Competitiveness of the export sector, market access and global trade regime-related issues are increasingly becoming more important factors in terms of Bangladesh's future development, he stated.

The importance of export and trade for the economy, relative to that of aid, has grown considerably over the past decades, he said, adding that export was 0.8 times that of aid disbursed in 1990. Export earnings amounted 3.5 times that of aid disbursed in 1999.

The graduation from an essentially aid-receiving nation to a trading one has led to a more pronounced emphasis on external trade-related issues in Bangladesh's policies.

Over the past years, Bangladesh's policies have tended to focus on exchange rate management and promotional incentives as major instruments to boost the country's export sector and to stimulate export sector diversification, the economist noted.

These policies have attempted to address both export-oriented production as well as market access or export commodities. Taka has been devalued 18 times during the tenure of the present government, which led to a cumulative depreciation of the currency to the extent of 19.1 per cent.

He said the export sector has also received substantial amount of financial help in the form of subsidies and other assistance. These assistance

amounted to Tk 635 crore in FY 2000.

"Technology in the RMG sector is becoming a key factor in terms of Bangladesh's continued competitiveness in the global apparel market. Bangladesh's low wage-based comparative advantage needs to be translated into productivity-based competitive advantage."

The fiscal, financial and institutional incentives provided to the export sector and export-oriented activities in Bangladesh played an important role in ensuring the 12 per cent average real growth rate of the sector in the early 1990s, he noted.

Foreign aid commitment for the first eight months of FY 2000 was equivalent to US\$ 954.2 million, which is significantly lower than the corresponding pledges for the same period of FY 1999. Aid commitments came down by 43.6 per cent during the first eight months of the current fiscal year, as the pledges were US\$ 1691.8 million during the corresponding period last fiscal.

This was mainly due to the drastic fall in food and commodity aid commitments which experienced a sharp decline over the period, Rahman said. During the period, project aid pledges also came down significantly from \$1143.9 million to \$832.8 million, registering a 27.2 per cent fall.

agreed to make payment of the outstanding interest to the general shareholders by December this year through discussion, sources said.

They said that the company would pay ICB and its account-holders the principal amount of the debenture by December.

SCB workshop on int'l trade management held

Standard Chartered Bank recently organised a workshop on International Trade Management for bank executives, says a press release.

Waliur Rahman Bhuiyan, president of FICCI, was present as chief guest in the concluding ceremony of the workshop held at a local hotel, and distributed certificates amongst the participants.

In his address, he said that with globalisation, the importance of international trade had grown manifold and that bank executives must be well conversant in international trade, particularly in areas like documentary credit, ICC codes and practices disputes resolution, and local regulations for international trade.

Kazi A Mazid, Managing Director of Prime Bank Ltd, Member of the executive committee of ICC and Chairman of the Standing Committee on Banking Techniques and Practices, made a presentation on 'International trade management in Bangladesh and future direction'.

Magura Paper to refund principal amount of public money

Star Business Report

Almost 10 years after floatation of debentures worth Tk 7.20 crore, Magura Paper Mills Ltd, yesterday agreed to refund principal amount of the public money.

The public issue of the debentures was approved by the then Controller of Capital Issue (CCI) in 1991.

Investment Corporation of Bangladesh (ICB) was the issue manager and also trustee of the fund. However, no trust deed was signed between the company and the trustee, sources said.

Since raising of the fund, neither interest nor principal amount was paid to the debenture-holders who include many general investors. The redemption period of the debentures, company officials say, was over in 1998.

In the wake of complaints, the Securities and Exchange Commission yesterday convened a tripartite meeting of Magura Paper, ICB and SEC where the company agreed to pay the principal amount of the public money involving around Tk 25 lakh by September 30 this year.

The company officials also agreed to make payment of the outstanding interest to the general shareholders by December this year through discussion, sources said.

They said that the company would pay ICB and its account-holders the principal amount of the debenture by December.

US catalog show begins in Khulna

KHULNA, June 27: A catalog exhibition of American goods began at the conference room of Khulna Chamber of Commerce and Industry (KCCI) today, reports UNB.

Economic Intern of US Embassy Gilbert inaugurated the show organised by KCCI in collaboration with the embassy. Goods, service catalogs and videos of over 90 US companies have been put on display in the exhibition.

Concord workshop on construction management held

Concord Group organised a workshop on 'Construction management and Conpac products orientation' at Institute of Engineers, Bangladesh as part of the continuous training programme of the group on Sunday, says a press statement.

It was attended by all managing directors, directors, officers and staffs of the group. The workshop focused on construction management problems starting from planning to execution stages and application of various construction materials manufactured and marketed by Concord in recent years.

The workshop was addressed by chairman of the group S M Kamaluddin as chief guest. S M Mamoon, S K Lala, M A Rouf, S M Kamal, Meer Yousuf Ali and Nizamuddin Ahmed spoke on the occasion as resource persons on the topic of production and application of high strength concrete, proper use and application of various Conpac products like hollow block, ceiling block, paving block, terrazzo tiles, doors, paints, electro-mechanical problems in high-rise buildings etc. S M Mamoon emphasised the need for sound management system for ensuring timely completion of construction projects.

Development of gene-based drugs to take 5 to 10 yrs

Finding disease-causing genes poses a big hurdle

NEW YORK, June 27: Now that the human genetic blueprint has been virtually deciphered, drug companies have more biological targets than ever to use in their hunt for new drugs, reports AP.

But experts say it will take at least five to 10 years for pharmaceutical firms to develop new drugs based on Monday's long-anticipated announcement that a rough draft of the sequencing of the human genome is complete.

That's because only a small fraction of the tens of thousands of new genes discovered as part of the Human Genome Project actually cause disease. Science must still figure out which ones they are, how they

work and how they can be altered to prevent and treat illness.

"This is a book with no instructions," said Eric Lai, who heads Galxo Wellcome PLC's molecular genetics department. "This is the first draft of a novel that we need to refine so it's like Shakespeare."

The great hope is that gene-based drugs will work on more specific conditions, have fewer side effects, and deliver a more potent antidote against today's incurable diseases.

Pharmaceutical heavyweights such as Bristol-Myers Squibb Co, Hoffmann-La Roche Inc and Glaxo Wellcome, all of which have heavily invested in gene research for more than a

decade, will likely have an edge in the race to find new medicines.

But analysts warn that even these industry giants will face long odds at turning this scientific achievement into treatments for disease.

"This is an important step forward, but it's still a long road to hoe in developing new medicines," said Joseph Zammitt-Lucia, president of the London-based Cambridge Pharma Consultancy.

In some respects, Monday's announcement was more a symbolic moment because information about the human genome has become public periodically over the past decade.

"Today does not change anything," said Lee Babie, vice president of clinical research at Hoffmann-La Roche. "We only have the added recognition that we have everything in place. It will take a while to figure out how best to use this ocean of information."

Researchers years ago identified found genes for specific diseases such as cystic fibrosis, but finding effective medicines to prevent or cure the conditions has proven elusive.

More often, drugs have been discovered through gene research via serendipity. That was the case with development of two new arthritis painkillers — Merck and Co's Vioxx and Pharmacia Corp's Celebrex.

The dilemma for drug firms

now will be in managing all the information collected in the sequencing of the human genome.

"It's like being on a shooting range and now having a million targets, but you don't know which ones to shoot at first," Zammitt-Lucia said.

Major drug firms are working alone with smaller biotech firms such as PE Corp's Celera Genomics to use the gene technology.

By having a full map of the human genome, drug companies are aiming to find new medicines that target an individual's genetic code — a sort of more personalised medicine. But while this step may ensure better medicines, it also means

drug companies will have more difficulty finding the right patients to participate in clinical trials, experts say.

Having the genome map completed should quicken drug discovery because companies more easily will be able to examine large families of related genes, said Tony Ford-Hutchinson, senior vice president of research at Merck and Co.

Elliott Sigal, senior vice president of early discovery research at Bristol-Myers Squibb, said it can also make the process more efficient. "We now have a huge opportunity to be more directed and curative in the therapies that we develop," he said. "Before it was always a question of what is missing."