

G7 meet convenes to tackle global financial reform

'It an economic, monetary policy headache'

FUKUOKA, Japan, July 8: The Group of Seven (G7) economic powers were meeting here today to look at overhauling the world's financial system, including the huge sums recycled by organised crime, reports AFP.

Finance Minister Kiichi Miyazawa was meeting his opposite numbers from the G7, including US Treasury Secretary Lawrence Summers, ahead of afternoon talks at the City Museum in this southern Japanese city.

Saturday's gathering kicked off a hectic round of diplomacy in Japan this month culminating in the July 21-23 summit of Group of Eight (G8) leaders on the island of Okinawa, southern Japan.

G7's discussions at Fukuoka, on Kyushu Island, would focus

on five areas, said Summers, who arrived here Friday.

"First, the global economic situation and issues of balanced growth," Summers told reporters, indicating a need for Japan to prop up its sagging pillar of the world economy.

"Next is the international financial architecture, particularly pricing and lending policies of the institutions," he added.

Third, "debt relief and poverty reduction, particularly emphasising the importance of HIV/AIDS and health issues."

Members of the Jubilee 2000 international debt-relief campaign were preparing to march to the City Museum bearing coffins and flowers in a mock wake for the victims of poverty.

The day meanwhile started with a protest by around 30

members of the far-left Zengakuren students group, chanting "Smash the Kyushu-Okinawa Summit," which was outnumbered by police.

Summers added the fourth area of discussion would be "Russia — assessing the economy, examining Russia's current economic situation."

"And financial crime, focusing on follow-ups to the recent listings of jurisdictions with flawed money-laundering regimes."

Industrial countries forming the Financial Action Task Force on Money Laundering last month named 15 territories, from Russia to Liechtenstein, considered to be money-laundering havens.

France said it would ask the G7 to penalise the 15 territories and was prepared to end all fi-

ancial transactions with them, setting the stage for what could be some interesting exchange on the sidelines of the G7 meeting with the Russians, who are here as observers.

Another Reuters reports says: "The sweeping changes ushered in by the information technology revolution will make it harder for governments and central banks to frame economic and monetary policy, the Group of Seven said."

A report prepared for the meeting of G7 finance ministers said it was not automatic that IT innovations would lead to productivity gains and higher living standards.

"Deriving the benefits of IT will require sound policies and a robust, but also flexible, open economy as an essential backdrop," said the report.

S'pore to tighten disclosure laws

SINGAPORE, July 8: Singapore law will be amended to make constant disclosure of material information mandatory for listed companies, Deputy Prime Minister Lee Hsien Loong announced, says AFP.

The amendment to make continuous disclosure by listed Singapore companies a statutory obligation will give further boost to improving standards of transparency here, he told the Securities Investors Association of Singapore yesterday.

"This means that non-disclosure or late disclosure of material information will be a breach of the law that will carry a judicial penalty," and not just be a breach of the Singapore Exchange's listing requirements, said Lee, who is also chairman of the Monetary Authority of Singapore (MAS).

The MAS will also consolidate legislation regulating financial advisers.

Under the new licensing scheme to take effect by early 2001, financial advisers will be able to offer various financial products and services under a single license, he said.

Announcement expected by early next week US, Vietnam close in on market opening pact

WASHINGTON, July 8: US and Vietnamese trade negotiators will work through the weekend to complete a long-stalled pact that could transform commercial ties between the former enemies and put communist Hanoi on course to joining the World Trade Organisation, reports Reuters.

After four years of on-and-off negotiations, a historic agreement was finally within reach that would reduce tariffs on goods and services, protect intellectual property and improve US-Vietnamese investment relations. An announcement could be made in Washington early next week.

The talks began on Thursday between US Trade Representative Charlene Barshefsky and Vietnam's Trade Minister Vu Khoan after expert-level negotiations earlier this week.

Barshefsky's spokeswoman described the meetings thus far as "very constructive" without elaborating. "The talks are expected to continue into the weekend," the spokeswoman added, though not necessarily at the Barshefsky-Khoan level.

Business leaders were increasingly optimistic an agreement would be reached between the two countries, combatants in the Vietnam War that ended in 1975.

"I am hopeful that it can be completed next week," said US-Vietnam Trade Council President Virginia Foote, who is close to the deliberations. While progress has been made, Foote said some differences remained.

If agreed, the pact would be one of the most important economic milestones for Vietnam since the country embarked on

market-oriented reforms in the late 1980s.

It would mark a major step toward completing the normalisation process that began on July 11, 1995, when President Bill Clinton extended diplomatic ties to Vietnam, and it also would boost Hanoi's bid to join the Geneva-based WTO.

In terms of commerce, the proposed trade agreement would mean far more for Vietnam than for the United States because Hanoi would win Washington's coveted normal trade relations (NTR) status.

According to a recent World Bank report the agreement could more than double Vietnam's exports to the United States to \$768 million.

It could also boost foreign investment in Vietnam, which has fallen to around \$500 million a year.



Picture shows (from left to right) Monwar Hossain, Centre Head of Aptech Narayananj, Professor M A Halim Sarkar, Principal of Kadam Rasul College of Narayananj, and Jayanta Sarkar, Faculty member of Flora Systems Ltd, at a seminar on "Careers in IT" held at the college on Thursday. — Flora photo

Aptech holds seminar in Narayananj

A seminar on "Careers in IT" organised by Aptech Computer Education, Narayananj Centre was held at Kadam Rasul College in Narayananj on Thursday, says a press release.

Chief guest of the seminar was Jayanta Sarkar, Faculty member of Flora Systems Ltd, and the special guest was Monwar Hossain, Centre Head, Aptech Narayananj.

The seminar was presided over by Professor M A Halim Sarkar, Principal of Kadam Rasul College and coordinated by Hafizur Rahman, Marketing Executive of Aptech Narayananj Centre. It was also attended by Raunadip Dey, Faculty member of Flora Systems Ltd, Naimul Haque, Marketing Executive of Eskaton Centre, Zahangir Alam, Rafiqul Islam, lecturers and other teachers and a huge number of students of the college.

The main speaker Monwar Hossain said IT is the fastest growing technology of the world. Aptech Narayananj Centre with its state-of-the-art facilities and highly qualified and trained faculty members will introduce world-class computer education.

Principal M A Halim Sarkar said, "time is now for information technology. So, we can't think about development without computer education. The world-class training facilities of Aptech will be very helpful for the generation of Bandar, Narayananj."

Cuba says high oil price won't hurt economic growth

HAVANA, July 8: High oil prices are forcing Cuba to restrict fuel use and cut back on hard-currency spending but the communist ruled island is maintaining steady economic recovery, state media quoted officials as saying yesterday, reports Reuters.

Finance Minister Manuel Millares, cited by the domestic news agency AIN, said the country's Gross Domestic Product (GDP) growth for the first six months of the year should be around 4.5 per cent.

First quarter GDP growth had been higher at 7.8 per cent but Millares said the economy felt the impact of high oil prices, which obliged the government to reduce hard currency spending.

In separate comments quoted by state radio, Vice President Carlos Lage said Cuba would be forced to restrict overall national fuel use over the summer to keep strategic national industries running and to avoid electricity blackouts.

"The summer months are crucial to determine just how efficiently and effectively Cuba can cope with this situation of high oil prices," Lage said.

IMF, WB look anew at how to choose bosses

WASHINGTON, July 8: International lenders are taking another look at how to choose their bosses after this year's bruising battle between Europe and the United States over who should head the International Monetary Fund, reports Reuters.

An IMF statement released yesterday said the fund was setting up an eight-member working group to look at the issues. Chaired by Japan's representative at the IMF, it includes just one representative from Western Europe, which has provided the IMF with each of its eight managing directors to date.

"The aim is to review the process we experienced last time where there were prolonged delays," said panel chairman Yukio Yoshimura. "It was not so efficient," he added.

Horst Koehler in March became the first German to head the IMF, which was set up to rebuild a tattered world financial system after the Second World War.

But a prolonged and acrimonious selection process dented European assumptions that a European should head the IMF — a cosy diplomatic arrangement which also guaranteed that an American would head the World Bank.

In an unprecedented departure from the behind-the-scenes maneuvering of the past, IMF countries put up two alternative candidates to Europe's first nominee, German deputy finance minister Caio Koch-Weser.

The United States escalated the dispute when it announced bluntly it would not back Koch-Weser, dismissing his experience at the World Bank as irrelevant to the sensitive IMF job.

Koehler was Europe's second nominee. But even his predecessor, Frenchman Michel Camdessus, admitted that the old system giving Europe the IMF and handing the World Bank to an American was wrong.

Virgin Atlantic, Air France keen to buy Air India stakes

NEW DELHI, July 8: Virgin Atlantic and Air France are interested in buying stakes in Air India when the national carrier is privatised, according to news reports Saturday, reports AP.

"I am a strong contender for Air-India," Virgin Chairman Richard Branson was quoted as telling The Hindustan Times in an interview. "I will shortly be talking to my bankers on this."

Branson was in India to publicise the start of a code-sharing arrangement with Air-India that will allow Virgin Atlantic to fly the New Delhi-London-New Delhi route on Thursdays and Saturdays. A third flight is to be negotiated.

The subject of Air-India's privatisation, when a yet-to-be-picked partner will be able to acquire a 40 per cent stake in the carrier, dominated Branson's talks with Foreign Minister Jaswant Singh and Civil Aviation Minister Sharad Yadav. The Hindustan Times reported.

The paper said Branson acknowledged there would be no fare war with British Airways, the other player in the India-England route, while the India aviation market is regulated by the government. But he said Virgin Atlantic would try to undercut a recent fare drop that British Airways announced.

Although Singapore Airlines owns 49 per cent of Virgin Atlantic, the paper quoted Branson as saying he still might make his own bid for Air-India in competition with Singapore Airlines.

Air France is "interested" in

obtaining stakes in Air-India, but would wait for clear guidelines from the national government on the disinvestment process, press Trust of India quoted the French carrier's local manager, Gerard Petit, as saying.

Petit was answering questions at a press conference Friday in Madras, where Air France announced that as of Dec 17 it would add another Bombay-Paris flight, increasing service to seven days a week.

Iraq, Pakistan sign oil co-op agreement

BAGHDAD, Iraq, July 8: Iraq and Pakistan have signed an agreement to boost cooperation in exploring, extracting and refining of crude oil, a state-run newspaper said Thursday, reports AP.

Al-Iraq said the agreement was signed following two days of talks in Baghdad between Iraqi Oil Minister Amer Muhammed Rashid and his Pakistani counterpart Usman Aminuddin.

Rashid said the deal, the details of which were not made available, was a sign that Iraq's relations with the outside world were prospering despite punitive UN trade sanctions imposed for Baghdad's 1990 invasion of Kuwait.

Thai political uncertainty makes investors wary

Non-performing loans to go down by year-end

FUKUOKA, Japan, July 8: The burden of non-performing loans hobbling Thailand's banking system, a key concern of foreign investors, will be much lighter by the end of the year, Thai Finance Minister Tarrin Nimmanahaeminda said, reports Reuters.

In an interview with Reuters Television on the sidelines of an economic symposium he attended in this southern Japanese city, Tarrin said investors were also wary of Thailand because opposition efforts to force an early general election were generating political uncertainty and threatening early passage of the government's budget.

"If the country has no budget, even though the budget can be supported by indirect law, it

would have a lot of side-effects because new investment cannot begin. So it could affect the recovery of the country very negatively," Tarrin said yesterday.

The election must be held by mid-November, but more than 100 opposition lawmakers have resigned to try to trigger the government's resignation. Tarrin condemned their tactics as an affront to the spirit of democracy that would set a dangerous legal precedent if successful.

"It's not that we would like to hang on to power, but we feel that it is our responsibility to do so. If not, the economy would suffer and also political progress would suffer," Tarrin said, explaining the government's refusal to accede to the opposition's demands.

Monday's Investors Service last month raised Thailand's credit rating back to investment-grade status, nearly three years after the devaluation of the Thai baht triggered a financial crisis that quickly spread across Asia, plunging most of the region into a deep recession.

Thailand's economy is now recovering steadily. But, despite the Moody's vote of confidence, the Bangkok stock market was the worst-performing in Asia in the first half of 1999. At the end of June, the main index was 37.6 per cent lower than a year earlier.

Brokers attribute the weakness in large part to disenchantment with the pace of structural and financial reform.

Metal: Weekly Roundup

Gold follows oil lower amid nervous trade

LONDON, July 8: Gold prices followed oil lower this week amid nervous trading ahead of the Bank of England's forthcoming bullion auction, reports AFP.

The spot price on the London Bullion Market fell to 284.25 dollars from 289.70 dollars an ounce.

The British central bank is due to sell 25 tonnes of gold next Wednesday in the latest of a string of official sales begun in July 1999.

Silver: Stable. Silver prices remained unchanged amid extremely thin trading volumes. Cash prices held at 4.97 dollars an ounce on the London Bullion Market.

Platinum and Palladium: Tarnished. The price of the two sister metals fell sharply after the Russian metals giant Norilsk Nickel ordered its exporter Almazouvel to export to fill Japanese orders and to sign trade contracts with Japanese customers.

Platinum fell to 536 dollars an ounce on the London market from 572 dollars.

Palladium fell to 623 dollars an ounce from 660 dollars.

The Norilsk deputy director general, Dmitri Zelenin, did not reveal details of the Japanese contracts.

Japanese companies are the world's leading consumers of platinum and palladium, while Norilsk Nickel is the world's leading palladium producer and a major platinum producer.

The move followed speculation by dealers in London that Russian producers had deliberately limited supplies in a bid to keep prices high.

Russia produces 20 per cent of the world's platinum, the second largest producer after South Africa. But it exported only 300 ounces last year, up from 1.3 million in 1999, figures from British dealer Johnson Matthey showed.

Russia is also the largest exporter of palladium, supplying 70 per cent of the market.

Last week platinum prices in London hit an 11-year high of 580 dollars an ounce as Russia continued to limit supplies amid strong demand, particularly from the Chinese jewellery market.

Base metals: Dull. The prices of base metals generally weakened on the London Metal Exchange as technical factors overcame the impact of a decline in stocks.

Analysts said that fundamentals remained strong.

Three-month nickel prices on the London Metal Exchange rose to 8,155 dollars a tonne from 8,010 dollars. LME stocks fell to 15,882 tonnes from 19,746 tonnes.

Three-month copper rose to 1,768 dollars a tonne from 1,790 dollars. Market reserves fell to 541,775 tonnes from 556,700 tonnes.

Aluminium fell to 1,568 dollars a tonne from 1,582 dollars a tonne. LME stocks fell to 518,375 tonnes from 536,900 tonnes.

Zinc fell to 1,137 dollars a tonne from 1,161 dollars.

Lead slipped to 446.5 dollars from 450 dollars a tonne. In contrast, tin fell to 5,490 dollars a tonne from 5,510 dollars.

Weekly Roundup

Prices of most commodities decline

LONDON, July 8: The price of crude fell back in London and New York in response to promises of increased supplies from Saudi Arabia, reports AFP.

In London, the price of benchmark Brent crude for August delivery slid briefly below 29 dollars a barrel, but subsequently rallied, while in New York prices fell below 30 dollars.

By Friday afternoon, Brent crude was trading at 29.35 dollars a barrel compared with 30.55 dollars a week ago.

In New York, light sweet crude for August delivery fell to 29.99 dollars a barrel late Thursday from 32.72 dollars a barrel the week before.

This week's falls were triggered by comments late Monday from Saudi Arabian Oil Minister Ali al-Nuaimi who said that, if prices did not fall of their own accord, the kingdom, together with other producer countries, would increase production by 500,000 barrels per day (bpd) very soon.

"We don't want prices to stay

at this high level. We have acted and we are acting through all means to bring prices down and bring them back to the target level, which is 25 dollars for the reference basket (of OPEC crudes)," he said.

GNI Research brokerage described the remarks as "dramatic," adding that they showed Saudi Arabia was sufficiently committed to lower prices to risk damaging fragile unity within the Organisation of Petroleum Exporting Countries (OPEC).

At its June OPEC meeting, the body had appeared to agree relatively easily on a "compromise" output increase of 708,000 barrels a day.

The figure less than the million barrels per day the United States was said to want and Saudi Arabia had been considered eager to provide in the run up to the decision.

Persuading OPEC as a whole to agree to a larger increase was complicated by the fact that, apart from Saudi Arabia, only Kuwait and the United Arab Emirates have significant spare

capacity.

OPEC members Iran, Iraq and Venezuela — the latter holds the rotating OPEC presidency — have criticised Saudi Arabia's "apparently unilateral" stance.

However, analysts said the market was confident that Saudi Arabia would succeed in muscling through the output increase. The only doubt, they said, was when.

Meanwhile, the latest figures from the American Petroleum Institute were considered to have a neutral impact on the market.

API reported that crude oil stocks fell 136,000 barrels to 292.96 million in the week to June 30 from the previous week.

Year-on-year, crude stocks were 34.27 million barrels lower.

However, petrol (US: gasoline) stocks rose 2.21 million barrels to 207.653 million. Year-on-year, gasoline stocks were 7.033 million barrels lower.

Distillate fuel stocks dropped 801,000 barrels to

103.281 million over the week and 28.12 million barrels compared with the previous year.

Rubber: Soft. Rubber prices slipped back as market volumes remained thin.

In Kuala Lumpur, the RSS1 index fell to 2.57 ringgit per kilo from 2.62 ringgit. The SMR20 index fell to 2.21 ringgit from 2.5 ringgit.

The London rubber index was unchanged at 510 pounds per tonne.

Sugar: Melting. Sugar prices fell, chiefly on technical factors, although the declines were limited by signs of renewed demand, particularly in the Middle East and Asia.

In London, October contracts fell to 240.8 dollars a tonne from 242.3 dollars at the end of last week.

In New York, where trading was disrupted by closures to mark Independence Day on July 4, white sugar for October delivery fell to 8.69 cents a pound from 8.94 cents a week ago.

Vegetable Oils: Sliding. US soybean prices continued to fall as

forecasters predicted favourable weather for the growing regions of the US Midwest.

On the Chicago Board of Trade (CBOT), a bushel of soy for July slipped to 4.70 dollars from 4.90 dollars at the end of last week.

Cereals: Damp. Prices continued to decline over the course of the week as rainfall increased changes that US forecasts of a record harvest would come to pass.

Cotton: Thin. Cotton prices also fell further.

In New York, July contracts fell to 50.05 cents a pound from 52.30 cents the week before.

Cash prices covered by the Cotton Outlook index fell to 57.55 cents from 58.35 cents a pound.

Wool: Warm. Wool prices continued to rise in Australia on particularly strong demand from China, while in Europe the holiday season lull set in.

Bangladesh Export Processing Zone Authority
222, New Eskaton Road, Dhaka-1000

Tender Notice No. 46/99-2000

No. BEPZA/CE-09/99/46 Dated: 27-6-2000

Sealed tenders are invited from contractors as per eligibility for the undermentioned works under Bangladesh Export Processing Zone Authority:

Sl. No.	Name of work	Eligibility of contractor	Prescribed time for completion of work	Price of tender document (in Taka) (non-refundable)
1	Construction of pre-fabricated workshop building-cum-godown (1500 sqft. Plinth Area) for Mongla EPZ, Mongla, Bagerhat Project Area.	Govt./semi-govt./autonomous organisation enlisted contractors having experience of building construction work worth minimum Tk 48 lakh under a single work order.	105 (one hundred five) days.	Tk. 1500.00.
2	Construction of pre-fabricated workshop building-cum-godown (1500 sqft. Plinth Area) for Ishwardi EPZ, Pakshey, Pabna Project Area.	Govt./semi-govt./autonomous organisation enlisted contractors having experience of building construction work worth minimum Tk. 48 lakh under a single work order.	105 (one hundred five) days.	Tk. 1500.00.
3	Construction of pre-fabricated workshop building-cum-godown (1500 sqft. Plinth Area) for Comilla EPZ, Comilla Airport Project Area.	Govt./semi-govt./autonomous organisation enlisted contractors having experience of building construction work worth minimum Tk. 48 lakh under a single work order.	105 (one hundred five) days.	Tk. 1500.00.
4	Construction of pre-fabricated workshop building-cum-godown (1500 sqft Plinth Area) for Syedpur EPZ, Sangalshi, Nilphamari Project Area.	Govt./semi-govt./autonomous organisation enlisted contractors having experience of building construction work worth minimum Tk. 48 lakh under a single work order.	105 (one hundred five) days.	Tk. 1500.00.

Not more than one work taken at value above Taka one crore will be given to one contractor for zones & projects under BEPZA during the same financial year.

Separate tender should be submitted for each work. Earnest money mentioned in the tender should be submitted with the tender through Bank Draft/Pay Order from any scheduled bank in favour of 'BEPZA'. Contractors must submit attested copies of the undermentioned documents in support of their eligibility with the tender. Otherwise tender will be treated as cancelled.

- Current year trade licence.
- Contractors' current year enlistment certificate.
- Certificate as Tax Payer (TIN) from the Income Tax Authority and VAT registration certificate.
- Work order and certificate for completion of the same work from an officer executive engineer's status.

If any document submitted with the tender is proved as false or fake, then the earnest money submitted with the tender will be forfeited as well as the tender will be cancelled.

Tenders can be purchased from the Accounts Section of BEPZA Executive Office, 222, New Eskaton Road, Dhaka, Chittagong EPZ, South Halishahar, Chittagong and Dhaka EPZ, Ganakbari, Savar, Dhaka, Mongla EPZ for sl. no.-1, Ishwardi EPZ for sl. no.-2, Comilla EPZ for sl. no.-3 and Syedpur EPZ for sl. no-4 and all Divisional Commissioners' offices up to 30-07-2000. In case of purchasing tender document from the office of the Divisional Commissioners, it can be purchased through Pay Order/Bank Draft for the prescribed price from any scheduled bank in favour of 'BEPZA'. Acknowledgment/money receipt obtained against payment of the said amount should be enclosed with the tender.

Tenders will be received at the office chamber of the Chief Engineer of BEPZA Executive Office and office chamber of the Project Engineers-in-Charge of Chittagong & Dhaka EPZs, Project Director's office chamber at Mongla EPZ Project, Ishwardi EPZ Project, Comilla EPZ Project & Syedpur EPZ Project and offices of all Divisional Commissioners up to 12.00 Noon of 31-07-2000.

Tenders submitted at different divisions/offices will be opened only at the office chamber of the Chief Engineer of BEPZA Executive Office on 02-08-2000 at 10.00 AM in presence of the tenderers (if any).

If under any circumstance the last date of selling tender is declared as govt holiday, then the tender can be purchased up to the next working day and in that case, tenders can be submitted up to the next day of the changed last date of purchasing tender. If the date of submitting/opening tender happens to be a govt. holiday, then tender can be submitted/opened on the next working day.

The authority reserves the right to accept any one or reject any or all of the submitted tenders without assigning any reason whatsoever.

DFP-16707-4/7
G-1277

Abu Reza Khan
Chief Engineer.