

Digital rift may widen as Asia gears up for B2Be-business

SINGAPORE, July 9: Disparities in technology and infrastructure and the lack of firm strategies will hamper adoption of business-to-business electronic commerce (B2B e-commerce) among companies in the less developed Asian countries, analysts say, reports AFP.

Many companies in the region are aware of the need to implement B2B e-commerce plans amid increasing competition and globalization and widespread Internet use, they said.

However in Southeast Asia, excluding Singapore, the lack of infrastructure and value-added tradable goods "could further widen the gap in economic development with the more developed economies in Asia-Pacific," Goldman Sachs said in its most recent report on B2B e-commerce in the region.

South Korea, Australia, Taiwan, Hong Kong and Singa-

pore, because of their high spending in upgrading and integrating their information technology (IT) systems, are set to adopt B2B faster than their less developed counterparts.

"By end-2001, we expect e-commerce to accelerate in developed markets," while China's B2B market will catch up by 2003 to 2004, the report said.

"We expect the remaining (Southeast Asian) economies to lag further behind, hurting their competitiveness," the report added.

B2B e-commerce involves websites that match buyers and sellers in a common marketplace and eliminate middlemen, cutting costs and steps in the supply chain.

Estimates of revenues from B2B e-commerce vary widely. Goldman Sachs expects it to rise to 440 billion US dollars by 2005 from some 25 billion dol-

lars this year.

IT research firm Forrester Research is more optimistic, estimating 1.5 trillion dollars in sales from the region's B2B e-commerce by 2004 while Gartner Group expects 992 billion dollars by 2004.

The Digital Asset, an online regional IT and finance journal, said that as of its last count, sponsors and venture capitalists have now allocated more than 100 million dollars to back various B2B sites.

Among the companies cited by Goldman Sachs for their B2B initiatives were Hong Kong's Hutchison Whampoa with its plans to establish a global transportation supply chain, and goods distributor Li and Fung.

But implementation of B2B plans among other companies in the Asia-Pacific region is another story.

In its survey of 70 companies

in 12 industries in 11 countries, more than 71 per cent of firms have been studying B2B e-commerce plans, but fewer than half have implemented a strategy, said Goldman Sachs' analyst Joseph Lee in the report.

"Next year, having an e-commerce plan will be a necessity, not a luxury. Late adopters run the risk of always playing catch up and never really getting it," the investment house said in its report.

The Digital Asset noted many companies were announcing ambitious plans to become leading B2B exchanges, without even having a model of how their virtual marketplace would work.

Hiring industry experts "should also be able to open doors and conclude partnerships and alliances that are vital for a B2B site to succeed," the journal said.

IDB launches \$1b private sector investment arm

DUBAI, July 9: The Islamic Development Bank (IDB) yesterday formally launched a \$1 billion corporation founded last year to promote private sector investments in member states, says Reuters.

The official Saudi Press Agency said the Islamic Corporation for the Development of the Private Sector (ICD) held its first general assembly meeting in Saudi Arabia's Red Sea city of Jeddah with the participation of IDB member states which had signed the ICD founding agreement last year.

The meeting elected a board of 11 directors who will be mainly responsible for approving policies, and chose auditors and an advisory committee that included two former World Bank officials.

The IDB last year announced the founding of the ICD as "an active arm of IDB in activating the bank's role in promoting economic and social development."

The ICD had said its activi-

ties would include financing private sector projects, offering advisory services to both the private sector and governments of member states, and providing asset and risk management services.

The ICD, like the Jeddah-based IDB, will operate according to Islamic sharia law, which forbids the payment and receipt of interest on loans and credit.

SPA said 39 of the 54 states in the IDB had signed the agreement setting up the ICD, but only 16 countries had so far ratified the deal.

Under the agreement, the IDB will contribute 50 per cent of the ICD's paid-up capital of \$500 million, while member states will subscribe to 30 per cent of its shares. The remaining 20 per cent will be offered to public financial institutions in member countries.

The IDB was set up in 1975 to promote trade between Islamic states.

Exchange Rates

Following are yesterday's Standard Chartered Bank foreign exchange rates (indicative) against major currencies to Taka

Central Bank USD/BDT Rate: Buying — BDT50.85/Selling — BDT 51.15

Selling		Currency	Buying		
TT/OD	BC		TT Clean	OD Sight Doc	OD Transfer
51.2500	51.2800	USD	50.8650	50.9964	50.6279
0.4817	0.4820	JPY	0.4646	0.4631	0.4625
31.7337	31.7523	CHF	31.0152	30.9125	30.8707
29.9357	29.9533	SGD	28.8563	28.7607	28.7218
34.8901	34.9105	CAD	34.0485	33.9356	33.8897
5.7795	5.7829	SEK	5.6851	5.6663	5.6596
31.3650	31.3834	AUD	28.5607	28.4660	28.4276
13.6307	13.6387	MYR	13.2457	13.2019	13.1840
6.6090	6.6118	HKD	6.4905	6.4690	6.4603
13.7750	13.7831	SAR	13.4535	13.4089	13.3908
14.0992	14.0775	AED	13.7362	13.6906	13.6721
0.0460	0.0460	KRM	0.0452	0.0451	0.0450
78.0589	78.1046	GBP	76.4145	76.1613	76.0583
49.0975	49.1262	EUR	47.1824	47.0260	46.9624

USANCE Export Bills

TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
50.7601	50.4489	50.0289	49.5481	49.0255	47.8549

Exchange rates of some Asian currencies against US dollar

Indian Rupee	Pak Rupee	Thai Baht	Mal. Ringit	Indo Rupiah	NZ Dollar
44.63/44.78	52.27/52.30	39.70/39.75	37.999/01	9295/9336	0.4608/0.4615

US Dollar

	Buying	Selling		1 Month	3 Months	6 Months	12 Months
Cash notes	50.6650	51.2800	USD	6.63125	6.74375	6.90625	7.1
T.C	50.6150	51.2600	GBP	6.08083	6.18938	6.2975	6.45594

Market Commentary

On Sunday, the interbank foreign exchange market was sluggish and the demand for dollar was steady. Call money market was inquisitive and the demand for call money was low.

The call rate was in a downward trend, ranging between 4.75 and 5 per cent. The international markets were closed for weekends.

Arena Dhanmondi celebrates 1st anniversary

Arena Multimedia-Dhanmondi celebrated the first anniversary of its operation recently, says a press release.

A cultural programme was organised by the centre at the Russian Cultural Centre as part of the celebration.

Prof Mahmudul Haque, Director, Institute of Fine Arts, Dhaka University, graced the occasion as chief guest. He expressed his interest about the contribution of Arena in building multimedia awareness in Bangladesh.

Farhad Hossain, Managing Director of Mediatech Ltd., expressed his satisfaction about the activities of the Dhanmondi Centre and wished to see it as the best Arena centre in the world. Bhaskar Chowdhury, Regional Academic Head, Aptech Worldwide, Bangladesh, also attended the function and was upbeat about preparing core multimedia professionals at Arena Multimedia.

Prizes were given for quiz competition and student art competition. The chief guest also gave children course-completion certificates. A cultural show was presented by the Arena-Dhanmondi students. The programme ended up with a band show performed by the "Utcharan".



Prof Mahmudul Haque, Director of the Institute of Fine Arts, DU, distributed certificates among the children who participated in an Arena course to mark the first anniversary of Arena Multimedia's Dhanmondi centre recently. —ARENA photo

Chinese banks mull linking card networks

SHANGHAI, July 9: China's major commercial banks are considering linking their bank card networks to curb financial risk, improve services and reduce costs, the official China Daily Business Weekly said today, reports Reuters.

Five state-owned banks will connect their bank card networks to the central bank's National Bank Card Switching Centre by October 1, the newspaper said, quoting the People's Bank of China.

The five are the Bank of China, Industrial and Commercial Bank of China, Agricultural Bank of China, Construction Bank and the Shanghai-based Communications Bank.

Other state-owned banks were expected to connect their card networks to the switching centre by the end of this year, the newspaper said.

"Only by this alliance can commercial banks share resources, downsize costs, prevent risks, give full play to electronic currency and promote economic growth," it said.

Founder MD of Crystal Ins



Syed Md Habibul Hoque joined Crystal Insurance Company Limited as its founder Managing Director, says a press release.

Now one of the senior-most insurance personnel in the country, Hoque started his career in 1957 with Premier Insurance Company Limited. Thereafter, he joined Adamjee Insurance Company Limited in 1961 and served in various capacities. He was its Manager for the then East Pakistan till nationalisation of the company.

After independence, Hoque joined Sadharan Bima Corporation. He resigned from the Sadharan Bima as Deputy General Manager in 1985 and joined as first chief executive of Bangladesh Cooperative Insurance Society Limited. He was also the founder Managing Director of City General Insurance Company Limited.

Born in Chakar in Barisal, Hoque has served the insurance industry for long 43 years in various capacities. He attended the International Re-insurance Convention in Korea in 1980.

G7 finance ministers' meet leaves hard work undone

'Big issues to be taken up again at summit'

FUKUOKA, Japan, July 9: The G7's seven biggest economic powers left the hard-fought summit here with no declaration on overhauling global finances and information technology (IT) analysts said today, reports AFP.

Group of Seven (G7) finance ministers outlined far-reaching changes at a meeting here Saturday which they said would make the world better placed to prevent a recurrence of devastating financial crises.

The group issued a major document entitled "strengthening the International Financial Architecture" to sum up thinking since the 1997 Asian crisis, when the International Monetary Fund shot to prominence for millions in the region.

Making the IMF's lending practices clearer was essential to reform, said the G7, which groups Britain, Canada, France, Germany, Italy, Japan and the United States.

Also threatening sanctions against money-laundering havens if they did not mend their ways, the G7 said it was turning a page on abuses that had distorted the global economy.

"But it was all a bit superficial and we didn't really see anything substantial or even

that new emerge," said Barclays economist Hiroshi Kuribayashi.

"The real point was not even there at yesterday's meeting, and that is whether to create an Asian monetary fund," he added.

"Asian countries want it. Japan wants it. So without that discussion, I don't see that the real issue was even addressed."

The United States shot down Japanese proposals for a regional fund in the aftermath of the Asian crisis, fearing a dilution of the IMF.

Just over three years to the day since the crisis erupted, the global economy is enjoying relative tranquillity. Japan's troubles loomed in the background of the G7 without quite breaking into public discussion.

The G7 meeting this time was somewhat plain, but it was very meaningful as a whole, a Japanese finance ministry official said.

"Compared with the previous year's meeting, there was no heated discussion on the world economy or the Russia economy," the official said.

In fact, most of the time was spent in discussion on (financial) architecture and money-laundering," he said, adding the big issues would be

taken up again at the July 21-23 Group of Eight (G8) summit in Japan.

The host government won a small victory in avoiding any public declaration on its economic plight as the Bank of Japan prepares to abandon its "zero-rate" monetary policy, analysts said.

"The BOJ is at war with the Ministry of Finance, and I think everyone was very careful not to intrude on the battle ground at this sensitive time," said the G7 finance ministers did find time to note the impact of the IT revolution on the world's financial and economic systems.

The United States strongly opposed e-commerce taxation, while Europe and Japan are in favour of it, said Fuji Research Institute senior economist Yasuyoshi Masuda.

The United States apparently gave way to the EU-Japanese side.

In their IT declaration, the G7 ministers said it was incumbent on governments to provide the right framework to capitalise on IT.

It was important to provide a tax climate "within which electronic commerce can flourish," balanced against the need to raise revenue for public services, they said.

Key privatisation decisions taken in India: Sinha

NEW DELHI, July 9: Indian Finance Minister Yashwant Sinha said the government had taken key decisions to achieve the revenue target from a privatisation programme in the current fiscal year, reports Reuters.

Sinha told state-run Doordashan in an interview today that the cabinet had a consensus on divestment but was working out the schedule and the ways of doing it.

The government has set a target of 100 billion rupees for 2000/01 (April-March) but there have been concerns that it is going slow on the issue, he added.

To achieve the objective of raising 100 billion rupees, all the decisions which were

needed to be taken have been taken," Sinha said.

He signalled that the government was ready to see its stakes come below 50 per cent in state-run banks which plan share issues.

Banks need capital. If in the process of their raising capital the government stake goes below 50 per cent, then we are ready to accept it on the condition that the public character is not affected," Sinha said.

The minister said the "biggest worry" for the Indian government was the high fiscal deficit but added that he planned bold new measures to control state spending. These include a fiscal responsibility legislation to force expenditure control, he said.

Weak confidence in economy impedes Filipino growth

MANILA, July 9: The International Monetary Fund (IMF) said weak confidence in the Philippine economy was hampering growth and suggested a five-pronged strategy for the government to avoid missing macroeconomic targets, reports Reuters.

The IMF said in a statement on the weekend that a moderately-paced economic recovery was underway in the Philippines but added: "an impediment to faster growth in the near-term is weak business confidence."

The IMF blamed the fall in confidence on a variety of factors, including an upsurge in Muslim insurgency in the southern Mindanao region, but said the situation could be reversed by keeping reforms on track.

The IMF said this year's targets of 4.5 per cent GDP growth, an inflation cap at 5.6 per cent and increasing foreign reserves to \$16.1 billion were achievable.

"Developments to date suggest that these targets are achievable if macroeconomic policies remain on track, the reform agenda is vigorously pursued and investor confidence improves in the near future," it said.

While inflation is well within target, most analysts have said GDP growth may be nearer to 3 per cent in 2000. They have blamed the low confidence increasing risk from the Muslim insurgency and a perceived lack of efficiency in the administration.

President Joseph Estrada has also been blamed for not tackling charges of cronyism and corruption. The combined worries drove down the peso to a 21-month low of around 44 to the dollar on Friday.

The IMF said in its statement, part of a review for a \$1.4 billion standby arrangement, successful completion of the current review, scheduled for later in July, would lead to the release of \$325 million from the standby arrangement.

The final \$325 million tranche will be released after a final review later this year.

The IMF said key policy challenges facing the Philippines were:

Maintaining the budget deficit at the targeted 62.5 billion pesos (\$1.42 billion).

Passing legislation which will allow power sector reform and the privatisation of the National Power Corp.

Shipping Intelligence

Chittagong Port

Berth position and performance of vessels as on 9.7.2000

Berth No	Name of Vessels	Cargo	L Port Call	Local Agent	Date of Arrival	Leaving
J/1	Clipper Sterling	Wheat(P)	P Land	Seaglor	15/6	11/7
J/2	Clover Trust	C Clink	Pada	MBL	21/6	12/7
J/3	Andika Adikaya (48)	Gl(St.C)	Yang	Everett	5/7	10/7
J/4	Qing Ann	Gl(Log)	Indo	HSL	17/6	10/7
J/5	Ascan Premier	Rice(P)	Hochi	Mutual	6/7	10/7
J/6	Hilda	Gl	Sing	Prog	28/6	10/7
J/7	Johnny-L	Wheat(P)	Jedd	OWSL	18/5	10/7
J/8	Pu Cheng	Gl(Maize)	Chin	Prog	10/6	13/7
J/9	Nego Lombok	Gl(DP)	Hako	Litmond	4/6	10/7
J/10	Fua Kavenga	Gl(Copra)	Sing	Alseas	8/6	11/7
J/11	Chu Hong	Cont	Sing	QCSL	28/6	10/7
J/13	Kedah	Cont	Sing	RSL	23/6	10/7
CCT/1	Kota Singa	Cont	Sing	Pil(BD)	21/6	11/7
CCT/2	Osg Alpha	Cont	Sing	RSL	27/6	10/7
CCT/3	Jaya Mars	Cont	Sing	Everbest	23/6	9/7
RM/14	Rimbun	C Clink	Sing	PSAL	26/6	9/7
RM/15	Lestari Utama	Cement	Indo	ANCL	21/6	12/7
GSJ	North Star-II	Cement	Pada	SBS	28/6	11/7
TSP	Apex	Idle	Saig	Cindy	10/6	10/7
Doj	Al Bauraq	Cement	-	Seacom	23/6	20/7
DD	Banglar Jyoti	Repair	-	BSC	R/A	12/7
RM/8	Banglar Shourath	Repair	-	BSC	R/A	9/7

Vessels due at outer anchorage

Name of Vessels	Date of arrival	L port call	Local agent	Cargo	Loading port
Jutha Parichart (Cont)	28/6	9/7	Sing	RSL	Cont
Acturia (Cont)	28/6	9/7	P. Kel	QCSL	Cont
Triumph Kaostung (48)	3/7	9/7	Hald	RML	Gl(St.Coll)
Ocean-1	9/7	9/7	Yang	SMSL	Gl(Log)
Ramey Tide	6/7	9/7	Sing	Arafeen	Pi Equip
Banglar Shikha (Cont)	29/6	10/7	Sing	BSC	Cont
Banglar Moni (Cont)	27/6	11/7	Sing	BSC	Cont
Al Muztaba	13/7	13/7	Cla	Rice(P)	Cont
Banga Biloy (Cont)	2/7	11/7	P. Kel	Bdship	Cont
Monte Oliveto	10/7	10/7	Sing	OTBL	-
Ban Ann	10/7	10/7	Krabi	BSL	C Clink
QC Pintal (Cont)	2/7	12/7	Sing	QCSL	Cont
Banglar Urmi	12/7	12/7	Mong	BSC	Cont
Osg Argosy (Cont)	6/7	13/7	-	Everest	Cont
Xpress Makalu (Cont)	6/7	13/7	-	Everest	Cont
Banglar Robi (Cont)	3/7	13/7	Sing	BSC	Cont
QC Teal (Cont)	6/7	14/7	-	QCSL	Cont
Freedom	14/7	14/7	-	Atlantic	Gl
Banga Biraj (Cont)	6/7	15/7	-	Bdship	Cont
Bagle Sky (Cont)	3/7	16/7	Sing	Nol	Cont
San Mateo (Roro/24)	4/7	17/7	-	JF	Vehi
San Pablo (Roro/24)	4/7	22/7	-	JF	Vehi

Tanker due

Name of Vessels	Cargo	Last port call	Local agent	Date of arrival
Spiros	Crude Oil	12/7	Rast	BSL
Nural Jubal	Caustic Soda	14/7	Juba	Owsl

Vessels at Kutubdia

Name of Vessels	Cargo	Last port call	Local agent	Date of arrival
Energy Explorer-IV	-	-	BBAL	5/4
Ismaya	-	-	BBAL	17/8
Barge CSK-6	-	-	BBAL	R/A(28/11)
Tug Magarita	-	-	BBAL	R/A(28/11)
Dea Champion	-	-	Arafeen	R/A(8/7)
Greenville-12	-	-	BBAL	5/7
Sandulk Command	-	-	IBS	R/A(27/6)

Vessels at outer anchorage

Ready on:

Name of Vessels	Cargo	Last port call	Local agent	Date of arrival
Jin Cheng	Gl	S. Hal	Bdship	28/6
Shun Cheng	Gl(Sash)	Bany	Prog	30/6
Kapitan Peiko Volvoda	Gl(St.C)	Col	BBA	1/7
Arabella (Cont)	Cont	Sing	QCSL	1/7
Xiang Jiang	Gl	Buss	Bdship	3/7
Anda	Gl(Strails)	Lanj	Lufuf	3/7
Kota Berjaya	Cont	Sing	Pil(BD)	3/7
Orient Independence(Cont)	Cont	Sing	Bdship	4/7
Boxer Capt Cook (Cont)	Cont	P. Kel	Bdship	5/7
Banga Biraj	Cont	P. Kel	Bdship	6/7
Graud Mariner	Gl(Peas)	Sing	Rainbow	3/7
Armour-1	CDSO	Kaki	Seacom	3/7
Hui Yang	Gl	Sing	Bdship	7/7
Kota Cahaya (Cont)	Cont	Sing	Pil(BD)	9/7

Vessels not ready

Name of Vessels	Cargo	Last port call	Local agent	Date of arrival
Chong Gen	Rice(P)	Sing	SBS	29/6
Ekuelle	Mop	Niko	Litmond	2/7
Chetnad Glory	Wheat(P)	Sing	SBS	19/6
Allegro	C Clink	Pada	RML	3/7
Marquisa	Gl(Y Pe)	-	Seaglor	5/7
Haci Resti Kaekavan	Wheat(P)	Teki	Anclie	6/7
Bright Sea	Cement	Ruba	Unicorn	7/7
Elpida	GSP	Tamap	Litmond	6/7
Leopard-1	C Clink	Kosh	Ancl	8/7

Vessels awaiting instruction

Name of Vessels	Cargo	Last port call	Local agent	Date of arrival
Xing Ye	Rice(G)	-	MHGL	R/A(20/6)
Professor Pavlenko	-	-	SMSL	R/A(10/5)
Banglar Gourab	-	-	BSC	R/A(12/5)
Banglar Doot	-	-	BSC	R/A(3/7)

Vessels not entering

Name of Vessels	Cargo	Last port call	Local agent	Date of arrival
Accord	Cement	Sing	Viking	5/4
Norvulk Qak	-	-	NWSL	R/A(3/7)
Revenge	-	-	Sunshine	R/A(9/7)
Karya Sentosa	Rice(G)	-	USTC	R/A(18/9)

Movement of vessels for 10.7.2000

Outgoing	Incoming	Shifting
J/3 Andika Adikaya	J/1 Jin Cheng	J/1 C Sterling TO J/5
J/4 Qing Ann	J/11 B. Biral	
J/11 Chu Hong	J/13 O. Independence	
J/13 Kedha	NB K. Cahaya	
CCT2 OSG Alpha	J/3 T. Kaostung	
RM/14 Rimbun	RM/4 Armour-1	

The above are shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by HRC Group, Dhaka.

From under banyan tree to Bombay bourse

125-yr-old exchange now aims to match the world's best