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The Daily Star

BUSINESS

DHAKA, SATURDAY, JULY 29, 2000

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Bdjobs.com to launch web-site today

Bdjobs.com Ltd., the largest career management web-site in the country, is going to launch its web-site. www.bdjobs.com. at the British Council Auditorium today, says a press release.

Lt General M Noor Uddin Khan, PSC (Rtd), Minister, Ministry of Science and Technology, will be the chief guest at the launching. Aftab-ul-Islam, President, DCCI, Farhad Mahmud, Managing Director, ETV, Dr Debapriya Bhattacharya, Executive Director, CPD, and S M Kamal, President, BASIS, will be present as special guests.

The web-site provides over 1,000 live job offerings at any point of time. Vacancies with bdjobs are listed on the web-site, covering all functional areas of the various levels in a variety of industries.

Bdjobs.com opens a number of career-related options for jobseekers, which include browsing for jobs, resume posting, e-mail notification of new job news, tips on resume writing, handling interviews, tips on career development etc.

The site will also provide a number of facilities for the employers and recruiting agencies. Employers can post their job vacancy ads from their own offices through Internet at bdjobs.com. They can also search for talents at the resume bank.

BASC course on leadership and growth held

A two-day course on "Leadership and Growth" organised by Business Advisory Services Centre (BASC), Dhaka, in association with Consulting Management Inc. (CMI), Calcutta, was held at BASC Training Hall, Dharmondi, recently, says a press release.

The course was specially designed to enhance the leadership skills of the corporate management-level managers.

The workshop was facilitated by Vikramaditya Chaudhury, an internationally-reputed management consultant and trainer of CMI.

During the workshop, Chaudhury told each of the participants on how to improve the leadership qualities at their workplaces to properly manage their team.

The workshop was participated by 19 participants from Grameen Phone Ltd, Square Pharmaceuticals Ltd, Rahimafroz Batteries Limited, Coats Bangladesh, Action Aid Bangladesh, Popular Polish Industries Ltd, Ain Bid Sangshu, Meridian Foods Ltd, Abacus and Automation Ltd, and others.

WTO panel to probe US trade complaint against India

GENEVA, July 28: A US request for a panel of World Trade Organisation (WTO) experts to look into its complaint against India's investment regime for motor vehicles got the green light here yesterday, trade sources said, reports AFP.

Despite consultations between the United States and India to try to resolve the dispute, the parties have so far failed to make headway and the United States has asked, for a second time, for the WTO's dispute settlement body (DSB) to intervene.

The United States has complained that certain Indian measures affecting trade and investment in the motor vehicle sector contravene India's commitments under WTO agreements.

The US ambassador to the WTO, Rita Hayes, told Thursday's meeting of the DSB that manufacturers in the sector could not get import licences for automobiles or their components without agreeing to a series of requirements that include the purchase of locally-made materials.

China trade bill clears critical hurdle in US Senate

WASHINGTON, July 28: A landmark China trade bill cleared a critical hurdle in the US Senate on Thursday, setting the stage for expected passage in September, says Reuters.

In a victory for the White House and pro-trade business groups, the Senate voted to start debate on legislation granting permanent normal trade relations (PNTR) to China when Congress returns Sept 5 from a month-long recess.

PNTR in the Senate has been a long time coming. Despite a two-month delay, there is now a light at the end of the tunnel, said Montana Democratic Sen. Max Baucus, a leading proponent of the trade bill.

PNTR won House of Representatives approval in May and there is little doubt the Senate will follow suit in September, assuming Republican Leader Trent Lott of Mississippi schedules the final vote as expected.

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ICB to float Tk 10cr mutual funds for share market stability

The Investment Corporation of Bangladesh (ICB) will float Tk 10 crore mutual funds to ensure smooth demand and supply in the capital market, reports UNB.

The state-run non-banking finance institution has completed preliminary formalities to this end, Standing Committee on the Finance Ministry was told Thursday.

The parliamentary watchdog expressed its satisfaction over the recent recovery of the share market, but advised the Securities and Exchange Commission (SEC) to guard against sudden volatility.

The lawmakers appreciated the measures, as explained by SEC chairman Muniruddin Ahmed, to stabilise the share market recently sparked by unpredictable upswing.

Committee chairman Prof Ali Ashraf presided over the meeting that heard the state-

ments made by managing directors of the four nationalised commercial banks.

The committee expressed its dissatisfaction over Bangladesh Bank's failure to set a uniform format of preparing bank statements to place to the committee.

A committee member said they would gradually review the status of loan recovery, interest rate, classified loan and capital of NCBs, private and foreign banks and specialised banks in a meeting sometime next month.

The committee also accorded farewell to Abdul Mueed Chowdhury, who is going on retirement as chairman of the National Board of Revenue.

Present in the meeting were its members Chitra Bhat-tacharya, MK Anwar and Amir Khasru Mahmud Chowdhury, Finance Secretary Dr Akbar Ali Khan was also present.

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Eastern Motors celebrates its 50th founding anniversary

Eastern Motors Ltd, the importer and distributor of the world's greatest tyre Bridgestone in Bangladesh, celebrated its 50th founding anniversary through a grand programme at a city hotel, says a press release.

Kumio Okuma, General Manager of Asia & Oceania Division, Bridgestone Corporation, Hiroaka Migata, General Manager of Bridgestone, Singapore, Joji Suzuki, General Manager, Mitsui and Company, Automotive and Industry Division, and Elji Yamamoto, General Manager, Mitsui and Company, Dhaka, with other Japanese delegates came to Bangladesh to join the celebration.

Opening the function, Mafur Rahman, Chairman of Uttara Group and Director in charge of Eastern Motors Ltd, highlighted the company's development activities in different areas to meet the needs of modern time. Eastern Motors Ltd. is a member of Uttara Group.

Speaking as special guest, Kumio Okuma praised the success of Eastern Motors in marketing Bridgestone tyres in Bangladesh.

Begum Afia Khatun, Managing Director of Eastern Motors, cut a big cake to begin the colourful programme.

Bridgestone's latest new pattern tyre UT-7 900/20-18 ply was introduced to the local and foreign guests.

AB Bank MD holds talks with Bogra businessmen

CM Koyes Sami, Managing Director of Arab Bangladesh Bank Ltd, recently paid a visit to Bogra. During his stay, the managing director participated in an open discussion attended by the leaders of the local chamber of commerce, business elites and the executives of the bank's Bogra Branch, says a press release.

The meeting discussed various issues and the managing director, in particular, replied to a number of queries made by the chamber leaders and businessmen.

The participants spoke highly of the discussion and welcomed the idea with a request to further organise such meetings.

Roche receives Investment in People award

Roche Bangladesh has received the award for Investment in People award for 1999.

The award, introduced by TACK Training International, was distributed at a function held in the city recently, says a press release.

S A M Showket Hossain, Managing Director of TACK Training International, presided over the function.

Prof Dr Mahmud Hassan, Pro-Vice Chancellor of BB Medical University, was the chief guest on the occasion.

The award for '99 went to Roche Bangladesh for their highest investment in human resources. Nasser Shahrear Zahedee, Managing Director of Roche Bangladesh Limited, received the award on behalf of the company.

Explaining the background of the award, Showket Hossain said the major problem that the enterprises in Bangladesh face is that they attach less priority to investment in human resources although human resources are the major engine of success for any enterprise.

He said TACK, an international leader in management training, decided to introduce the Investment in People Award to encourage the enterprises to pay due attention to this aspect and help the national economy through increased production.

Speaking on the occasion, Prof. Hassan said management is not an inherent thing. Skill can be developed only through training. He expressed satisfaction that the TACK has been doing a pioneering role in this respect.

Receiving the award on behalf of the company, Zahedee said Roche Bangladesh has been expanding fast in Bangladesh and it needed skilled management personnel.



A 2-day training workshop on "Leadership and Growth" organised by Business Advisory Services Centre (BASC), Dhaka, in association with Consulting Management Inc. (CMI), Calcutta, was held at BASC Training Hall at Dharmondi recently. Picture shows the participants and facilitator Vikramaditya Chaudhury, an internationally-reputed management consultant and trainer of CMI (fourth from right in the first row). — BASC photo

US unveils tax plan to avert EU trade sanctions

Brussels unsure about move's WTO compatibility

WASHINGTON, July 28: The Clinton administration and congressional leaders unveiled a sweeping plan yesterday to overhaul a multibillion-dollar US export tax programme, hoping to settle a heated trade dispute with the European Union and avert retaliatory sanctions, says Reuters.

Approved overwhelmingly by the powerful House Ways and Means Committee, the legislation would provide tax breaks totalling \$4.6 billion a year to big exporters like Boeing Co, BA.N and Microsoft Corp. MSFT.O and a wide range of other companies. The bill would also double the tax deduction for arms makers, over objections from some Democrats who said it smacked of "corporate welfare".

Deputy Treasury Secretary Stuart Eizenstat said the far-reaching measure, which would exempt some corporate income generated abroad from US taxation, was consistent with World Trade Organisation (WTO) rules. He urged the EU to accept Washington's approach, warning that a "major trade war" could break out if the stalemate continued.

The Clinton administration had been searching for months for a way to replace the controversial US Foreign Sales Corporation (FSC) programme, which doled out tax breaks to exporters through subsidiaries in tax havens such as the Virgin Islands, Barbados or Guam.

The European Union argued

that this constituted a prohibited export subsidy, and the WTO ruled in February in Europe's favour, forcing the United States to come up with a new system by October 1 or face EU sanctions that could top \$26 billion, according to industry estimates.

The legislation approved on Thursday, hammered out behind closed doors by Eizenstat and congressional experts, would establish a new tax regime under which certain categories of foreign source income would be excluded from US taxation. US officials said the approach was similar to those used in Europe.

The new programme would provide tax benefits to US companies like the FSC, but firms would receive the breaks directly, rather than through special offshore subsidiaries. The new benefits would apply to foreign corporations with operations in the United States including European companies.

The new plan would benefit more companies than the existing system — so the change-over is expected to cost the US government \$1.5 billion in lost revenue over the next five years.

US officials said the changes would bring the US export programme in line with WTO rules, and congressional leaders said they expected the House of Representatives and the Senate to approve the bill before the October 1 deadline.

But it remains to be seen whether the European Union will accept the United States'

new plan. The EU rejected Eizenstat's last proposal in May, saying it "does not meet basic WTO requirements."

"We would like to move forward with a proposal that (Europe) can endorse," Eizenstat told the Ways and Means Committee, which approved the bill by a vote of 34-1.

For US business, the stakes are enormous, since the EU could impose sanctions against a wide range of US goods after October 1.

The European American Business Council says EU trade officials are drawing up a preliminary list of up to \$26 billion worth of products, or 17 per cent of US goods exports to the EU, that could be the target of retaliation.

In contrast to the FSC, the legislation approved on Thursday takes a "single-entity" approach, allowing companies to receive the benefits directly rather than through subsidiaries.

The plan provides equal tax treatment to foreign sales, whether the goods were made in the United States or abroad. US officials said the tax breaks would not constitute an export subsidy, and therefore would meet WTO requirements.

Meanwhile, a report from Brussels adds: The European Union said yesterday it could not judge whether the new US plan to overhaul a multi-billion-dollar US export programme complied with global trade rules.

'One China' issue clouds Beijing's WTO entry

GENEVA, July 28: China and the United States appeared at loggerheads yesterday over a Beijing effort to enshrine its "one China" policy into a key text on its eventual entry into the World Trade Organisation (WTO), reports Reuters.

Top Chinese negotiator and Vice Trade Minister Long Yongtu said the stance — ensuring that independent-minded Taiwan would have to join the WTO as a customs territory of the mainland — was "a matter of principle for us."

But US trade ambassador Rita Hayes made clear Washington would oppose the move. "I think it is certainly clear that the United States will not accept this," she told reporters.

It was not immediately clear just how far the highly political issue would affect the final stage of 14-year negotiations for China to join the WTO whose predecessor the GATT it

left in 1949 after its communist revolution.

Long told a news conference the situation "should not be dramatised", saying China knew how to handle such sensitive problems in the WTO.

Hayes, speaking earlier, said the issue had not yet been discussed in the WTO working party which is drawing up a final report which will form part of the entry package setting out the terms and conditions of China's admission.

And she said China was clearly endeavouring to wrap up the remaining issues in the marathon talks. "We will work very hard to get them in by the end of the year, and I think it's do-able," she declared.

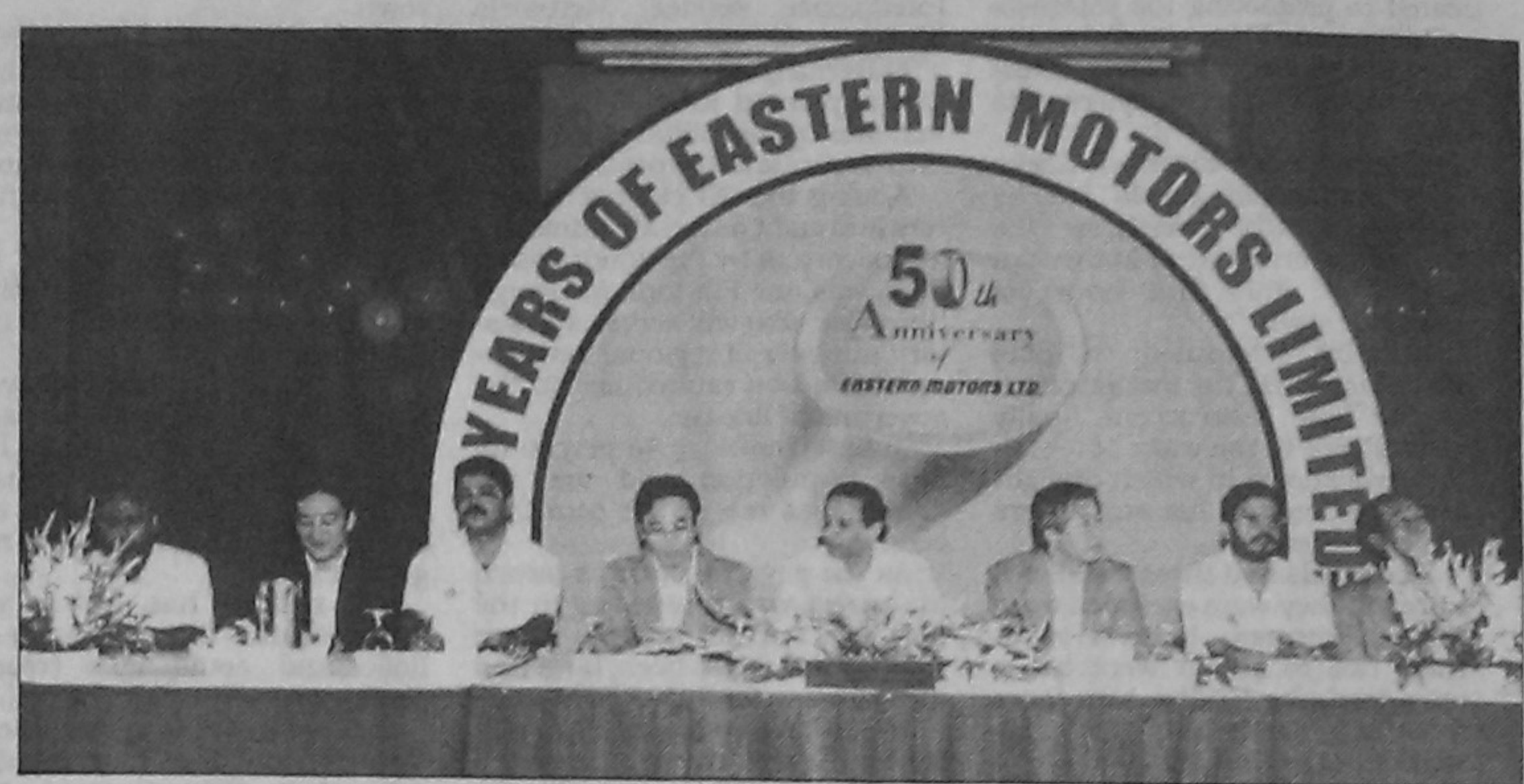
But diplomats said much depended on political decisions in Beijing over the coming weeks before the negotiations resume for a three-week session in mid-

September. "It could be a major problem if they (the Chinese) dig in," said one.

In a heavily-bracketed draft of the working party report, Taiwan — currently known in the WTO lexicon as "Chinese Taipei" — is linked with former British and Portuguese colonies Hong Kong and Macau as separate customs territories.

The draft, in wording diplomats said was almost certainly proposed by Beijing says that "on the basis of one-China, China will be a member of WTO as a sovereign state while the other three regions would be members with the subsidiary status."

Hong Kong and Macau, longtime members of the WTO and the GATT, are now officially part of China again and have no objection to this designation, according to the diplomats.



Picture shows the grand ceremony to celebrate the 50th founding anniversary of Eastern Motors Ltd, the importer and distributor of the world's greatest tyre Bridgestone in Bangladesh, at a city hotel.

US Senate panel okays bill to punish OPEC

Issue of fixing prices, production

WASHINGTON, July 28: US anti-trust regulators will be able to sue OPEC for fixing prices and setting production levels of crude oil, under legislation approved by a US Senate subcommittee yesterday, reports Reuters.

Under pressure from their constituents about this summer's high gasoline prices, US lawmakers have blamed the Organisation of Petroleum Exporting Countries (OPEC) collusive practices for the soaring fuel costs.

"Indisputably, the biggest contributor to high gas and fuel prices is the unacceptably high price of imported crude oil — a price set by anti-competitive agreements among the OPEC nations," said Ohio Republican Senator Mike Dewine, who

chaired the Senate Anti-trust Subcommittee and co-sponsored the legislation.

Similar to legislation also pending in the House of Representatives, the bill faces an uphill battle to make its way through Congress, as lawmakers are off in August, and then return for four weeks of work before they adjourn in early October.

The legislation cleared by the subcommittee would put pressure on OPEC not to restrict oil supplies by giving the US government the legal authority to bring an anti-trust enforcement action against foreign states engaging in anti-competitive conduct with regard to oil and other petroleum products.

Normally, the Federal Sovereign Immunities Act allows prosecution of foreign gov-

ernments when they are engaged in "commercial activity," but prohibits prosecution of those states that are engaged in "governmental activity."

A federal district court has previously ruled that OPEC's actions to control oil supplies is "governmental activity" protected from prosecution under US law.

"OPEC members have used the shield of 'sovereign immunity' to escape accountability for the price-fixing said Wisconsin Democratic Senator Herb Kohl, the other co-sponsor of the bill.

The bill will also give federal district courts the jurisdiction and authority to consider such cases brought by the Justice Department or the Federal Trade Commission.



CM Koyes Sami, MD of Arab Bangladesh Bank Ltd, speaks at a meeting with the leading businessmen of Bogra during his recent visit to the district. Alhaj Abul Kalam Azad, senior VP of Bogra Chamber, is also seen. — AB Bank photo

Pak businessmen go on strike as talks on new tax collapse

KARACHI, July 28: Small businessmen throughout Pakistan went on strike Friday after talks with the army government over new taxes broke down, says AP.

Throughout the southern port city of Karachi small businesses were closed and sporadic demonstrations were held. Businessmen shouted slogans and waved banners condemning the government.

Pakistan's commercial and manufacturing hub, Karachi generates more than 70 per cent of country's overall tax revenue.

The confrontation, which began several weeks ago, is over government attempts to impose a general sales tax and document businesses in Pakistan.

Here most transactions are carried out on a cash basis, without receipts and documentation.

The government wants that

stopped.

Earlier this month soldiers and tax officials circulated survey forms asking for information about inventories, per day and per month sales receipts.

Some businessmen refused to accept the survey forms, others refused to complete them.

The government has vowed to forge ahead. Successive governments have tried and failed to document Pakistani businesses bowing to protests.

But Gen Pervez Musharraf, the country's military leader, earlier said he would not buckle.

"It's a matter of our survival," he said in a recent interview.

Negotiations held earlier this week apparently broke down over resistance from businessmen to providing the government with information

about their businesses.

The government attempted to appease them by allowing them to list their inventory without that list being verified by tax officials.

But that wasn't enough. In a country where most people do not pay taxes and smuggling is a flourishing industry, that annually costs the national exchequer billions of rupees, the resistance to documentation is countrywide.

Businessmen have called a three day strike throughout the country. There was mixed response in other cities. In Lahore, the eastern Punjab capital half the stores were closed. In Peshawar in the Northwest Frontier Province, where resistance has been particularly stiff, most stores were shuttered.

Weekly Currency Roundup

Local Market
 Demand for dollar was high throughout the week mainly due to the corporate clients' increased willingness to hedge their foreign exchange exposures. The market was extremely apprehensive about the depreciation of Bangladesh Taka. In the korb market, dollar demand reached a new plateau and traded between BDT 55.50 to BDT 56.

The money market remained insipid throughout the week. The demand for call money witnessed a steady trend because of excess liquidity in the market. The call money rate ranged between 5 to 5.50 per cent.

International Market
 At the beginning of the week, yen fell to a two-month low against dollar, undermined by continued gloom about the sustainability of Japan's economic recovery and concerns about the health of the Japanese corporate sector. Pessimism about the Japan economy was in contrast to growing confidence that the US economy will achieve a soft landing.

In the middle of the week, yen fell to two-month low against dollar and three-month low against euro amid-persistent concern about Japan's economic outlook and declines in stocks. Such fears were fuelled after a report showed that Japanese retail sales fell 1.1 per cent in June from a year ago, with a 4.4 per cent drop reported for large store sales. This fanned speculation that the Bank of Japan may have to wait longer than traders expected before ending its policy of keeping the interest rate near zero.

In the last part of the week, yen rebounded from this week's multi-month low, as the investors took some profit. Yen's gains were capped by concern about the state of Japanese economy. Market-players commented that dealers were pushing back expectations for a possible interest rate hike in Japan and expected the Bank of Japan to wait until at least September to end its longstanding near zero monetary policy.

— Standard Chartered Bank

Japan industrial output crosses expectations

TOKYO, July 28: Japanese industrial production rose 1.7 in June from May, the Ministry of International Trade and Industry said Friday, indicating that output remains on solid footing, says AP.

The rise was larger than expected by economists surveyed by Dow Jones, who estimated on average an increase of 1.2 per cent from the prior month after adjustment for seasonal factors.

Output also increased in the April-June quarter from the prior period, rounding off the fourth straight quarter of rises and making the longest string of quarterly increases since the 12-month period ended March 1997.

The ministry said the outlook for future production levels looks promising.

Based on a survey of companies, MITI forecast that output will fall 0.2 per cent in July from June and then increase 2.8 per cent in August.