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The Daily Star BUSINESS

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Sweden keen to set up IT industry in Bangladesh

Attracted by the liberal policies of the government, Sweden has shown interest to set up an IT industry along with training facility in Bangladesh, says UNB.

Swedish Ambassador to Bangladesh Anders Johnson gave the hint when he called on Industries Minister Tofail Ahmed at his office yesterday.

The Swedish envoy said the two-way trade between Bangladesh and Sweden has marked a rise alongside increased Swedish investment in Bangladesh.

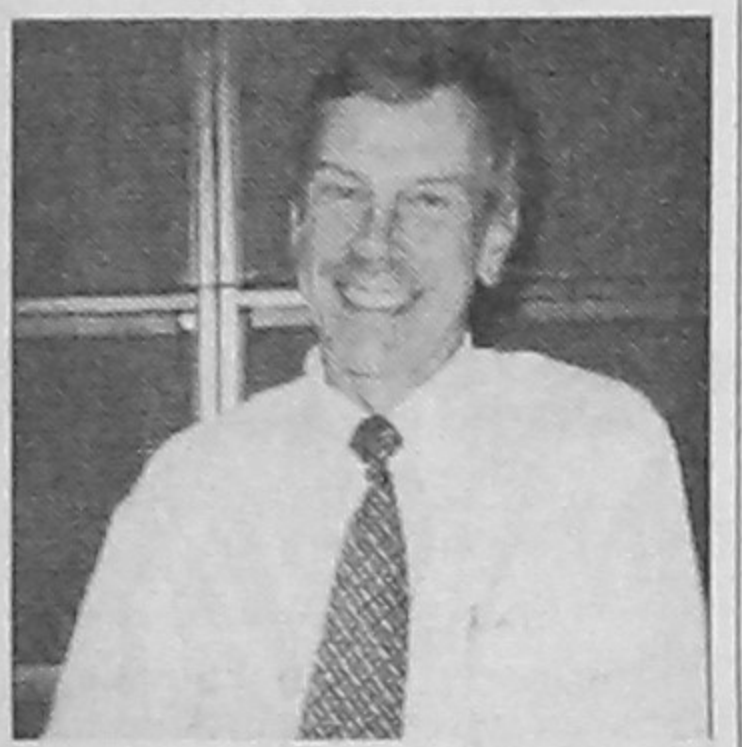
Johnson told the minister that the liberal investment and other financial policies in Bangladesh have attracted Swedish investors. "But they are discouraged to invest in Bangladesh as they face various problem starting from Dhaka Airport down to bureaucratic bottlenecks," the Ambassador said, urging the government to take appropriate measures to make the attractive policies useful.

In response, the industries minister said the government is trying very hard to ensure all services to the foreign investors right on demand.

"We are improving visa and airport facilities for the genuine investors," he said, adding that Bangladesh is offering highest incentives to the investors.

Tofail said the government's target is to create employment opportunities and that could be achieved through industrial investment.

New Dhaka office MD of Ericsson



Mats Bosrup has joined the Dhaka branch office of Ericsson Radio Systems AB as its Managing Director. He has replaced Jan Campbell, says a press release.

Mats, who obtained Master's degree in Electronics and Computer Engineering from the Institute of Technology, Lund, Sweden, has been working in various departments of Ericsson for eight years.

The new Swedish managing director is committed to provide more business in Bangladesh.

He says, the business is still new here but the achievement is very satisfactory.

In the near future, Ericsson will be introducing new products to the market in Bangladesh. Internet has achieved enormous popularity and the next step is to make Net access available over the mobile network, a technology called WAP.

Pre-handover meet of BTI project held

Building Technology and Ideas Ltd, an ISO 9001-certified real estate developer, recently held a pre-handover meeting of one of its Banani projects 'Zephyr' at the project premises, says a press release.

The meeting, which discussed various aspects of the project, was attended by all the project clients. This is an unique scheme of BTI to build up excellent rapport with their clients, assuring total customer care, service and commitment.

From BTI, the meeting was attended by Deputy Managing Director Engineer F R Khan, Director Construction Engineer J.A. Patwary, Project Coordinator Wallullah, Executive-Sales and Marketing Shahana Rahman, Executive-Customer Service Md. Manikuzzaman Khan and other officials.

Datapro celebrates 1st anniversary of its inception

Datapro, an India-based computer learning centre, celebrated the first anniversary of its inception on Friday, says a press release.

Datapro has three centres at Mohakhali, Santinagar and Elephant Road in Dhaka.

Chairman of Crown System Ltd., the Master Franchisee of Datapro InfoWorld Ltd. (India), Mostafizur Rahman, was the chief guest at the function. Sajedul Haque, Managing Director of NCC Bank, Assistant General Manager of Datapro (India) Debdash Banerjee, Managing Director of Crown Systems Ltd Shakhawat Hossain and Executive Director Sadek Ahmed and Centre Manager Om Prakash Roy attended the function.

BTTB plans to up local call rate, mobile incoming charge to go

By Abu Saeed Khan

The fixed telephone subscribers of Bangladesh Telegraph and Telephone Board (BTTB) would be thinking twice before calling a mobile phone, because they will need to pay for every minute while talking to their counterparts.

Reversibly, the mobile users would be carefree while receiving calls from BTTB numbers, as they would not have to pay any incoming charges.

On September 18, Director (Wireless) of BTTB notified this development to all mobile operators. The BTTB director's letter states that the Ministry of Posts and Telecommunications reshuffled this tariff on May 24. He requested the mobile operators to keep his office updated about the steps being taken to comply with the government's decision.

BTTB, however, did not indicate from when this new tariff policy will be enforced. The gov-

ernment is also keeping mum on the amount BTTB would be charging its subscribers for calling the mobile numbers.

BTTB's current local call charge is Tk 1.70 for unlimited period. This rate is equally applicable when a BTTB customer calls a mobile number. The revised tariff would require BTTB subscribers pay by minutes while calling mobile users.

The three GSM operators charge nothing for the first minute followed by a Tk 2 charge for each subsequent minute for incoming calls through BTTB's network. Various packages of CityCell charge between Tk 3 and Tk 2 per minute all along while receiving calls through BTTB network. All the mobile users would be exempted from paying these charges under the revised tariff plan.

The mobile operators are yet to

reply to the government on the proposed tariff reform. They met on September 25 to discuss the strategy, but remain tight-lipped on the contents.

The government's tariff revision, however, has technical and regulatory hurdles. BTTB's local and long distance bills are still prepared manually and the subscribers do not get itemised statements.

BTTB is also infested with ungovernable call piracy. Lately, it urged all its subscribers to electronically disable the features of making 'per-minute' calls like NWD or ISD. The state telecom monopoly has officially admitted that a group of its corrupt employees is engaged in call piracy.

In the backdrop of such alarming confession coupled with pre-historic billing system, metering of the mobile-bound local calls would pose a daunting task for

BTTB.

Besides, the mobile operators pay BTTB for accessing its fixed network. They additionally pay Tk 1.70 for each call to BTTB network. BTTB, however, pays nothing while calling mobile networks. Lack of bilateral revenue sharing provision has been diminishing the competitive edge of the partially deregulated telecom market.

Meanwhile, the country's four-year-old mobile market has already become half the size of the 40-year-old fixed telephone network of BTTB. Conservatively considering its current growth rate (annually more than 125 per cent), mobile business would be growing with larger clientele than BTTB by the middle of 2002. Time is to decide who will command whom.

Bhutan-Bangladesh businessmen for free-trade, transport protocol

From Monjur Mahmud

Thimphu, Sep 27: The Bhutanese and Bangladeshi business leaders yesterday underscored the need for signing a free-trade agreement and said the two countries should sign a transport protocol for border transit to increase trade.

The points were made here at a meeting between the visiting delegation of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) and the members of the Bhutanese Chamber of Commerce and Industry (BCCI).

"Both the governments should get the protocol signed first and then negotiate with India to help implement it," said BCCI President Ugyen Dorji, who is shortly taking over as Speaker of the Bhutanese National Assembly.

"Signing of the protocol will give both the countries a better position to negotiate with India for direct movement of vehicles, carrying goods to and from Bangladesh and Bhutan," said FBCCI President Abdul Awal Minto.

Using Indian corridor will help reduce the cost of business between these two SAARC countries, stated the FBCCI outgoing chief, who is leading a 50-member delegation.

BCCI leaders identified pre-shipment inspection (PSI) as the major

obstacle for export as the PSI company is yet to set up its office in Bhutan. The company is now operating its activities from Calcutta to cover Bhutan for which the exporters are facing serious problems.

"We support the PSI, but procedures need to be simplified," Tshering Dorji, BCCI Secretary General told the FBCCI team. The lengthy process of clearing exportables under PSI are discouraging both Bhutanese exporters and Bangladeshi importers.

Bangladesh Embassy in Bhutan also informed the National Board of Revenue (NBR) regarding some practical problems faced by the Bhutanese exporters due to the absence of PSI agent in Thimphu, an official of the Bangladesh Embassy told The Daily Star yesterday.

The FBCCI team later called on the head of the government and Chairman of the Council of Ministers of Bhutan, Lyonpo Yeshey Zimba.

The Bangladeshi businessmen also had meetings with Agriculture and Forest Minister Lyonpo Kinzang Dorji and Minister for Trade and Industry Lyonpo Khandu Wangchuk.

The FBCCI delegation members include FBCCI Vice President M A Mumin, Zafar Ahmed Chowdhury, Major General Anjad Khan Chowdhury, MA Awar.

WB advocates faster economic reforms in Bangladesh

Star Business Report

World Bank Country Director Frederick T Temple has said that faster reform is necessary to improve the environment for and reduce the cost of doing business in Bangladesh.

He said this while exchanging views with a group of business leaders in the city yesterday.

Although the bank's support for banking sector reform, trade liberalisation and privatisation has been criticised, Temple presented 'empirical evidence' which supports these policies and suggest they should be pursued more vigorously, a press release of the World Bank said here yesterday.

He pointed out that a faster reform programme for Bangla-

desh needs to encompass sound macroeconomic developments, deeper banking reforms and measures to improve infrastructure, especially through reforms of power, ports and telecommunications, which would increase private participation in the provision of these services. He emphasised the necessity of a comprehensive package of reforms because the problems are complicated and inextricably linked.

For example, the World Bank country representative said, trade policy reform by itself will not be successful unless other constraining factors are removed

so that firms can respond to liberalisation.

He explained that three members of the World Bank group the International Development Assistance (IDA), the International Finance Corporation (IFC) and Multilateral Investment Guarantee Agency (MIGA) play complementary roles in providing assistance to support private sector development in Bangladesh.

Temple gave credit to finance ministry and Bangladesh Bank, which have initiated some measures to curb the 'default culture', reduce insider lending and force defaulting bank directors to repay their loans.

Northern General Insurance holds 4th AGM

The 4th Annual General Meeting (AGM) of Northern General Insurance Company Ltd was held at the registered office of the company in the city recently, says a press release.

A large number of shareholders along with the auditors of the company were present in the meeting, which was presided over by Hamidul Haq, chairman of the company.

The chairman in his speech welcomed the shareholders and explained the overall performance of the company during the year 1999.

At the meeting, the audited accounts and directors' report for the year ending December 31, 1999 were unanimously adopted.

During the year under review, the company underwrote a gross premium income of Tk 10.08 crore and earned an underwriting profit of Tk 1.34 crore, showing growth of 111 per cent. The net profit before tax was Tk 63.51 lakh, which is 207 per cent higher than that of the previous year.

The shareholders unanimously re-elected retiring directors Monowara Shamim, S M Fouzia Karim Khanam, Hamidul Haq, Foyzal Ahmed Patwary, Mohammad Haroon and Farzana Parveen.

Israel hopes for OECD entry

TEL AVIV, Sept 27: US Treasury Secretary Lawrence Summers told Israel it will be in the first group of new members of the Organisation for Economic Cooperation and Development, a Finance Minister official said today, reports Reuters.



Picture shows the pre-handover meeting of BTI's 'Zephyr' project on its premises at Banani in the city recently. -- BTI photo

India pledges Rs 200 crore fresh credit for Bangladesh

PRAGUE, Sept 27: India is expected to provide Bangladesh with an additional state credit amounting to Rs 200 crore, reports BSS.

This was communicated to Finance Minister Shah AMS Kibria by his Indian counterpart Yashwant Sinha during a meeting held yesterday on the sidelines of a major international gathering on financial matter. Both Kibria and Sinha are in the Czech capital to attend the 55th annual meeting of the World Bank and International Monetary Fund.

The agreement for fresh state credit from India is expected to be signed in late October or early November when Sinha visits Bangladesh, meeting sources said.

The WB-IMF annual meeting began yesterday amid large-scale protests demanding debt relief for the world's poorest nations who are reeling under the debt burden worth billions of dollars.

President of the Czech Republic Vaclav Havel inaugurated the meeting which was also addressed by the President of the World Bank James Wolfensohn and the newly-appointed IMF Managing Director Horst Kohler.

Kibria and Sinha discussed different issues of bilateral interest and matters of regional and global concern. Kibria thanked the Indian government for pledging state credit worth Rs

200 crore to Bangladesh and underlined the need for enhanced co-operation between the two countries in trade and industry.

The Finance minister particularly emphasised the potentials of joint venture investments in the industrial sector. An additional credit agreement of a similar amount is likely to be negotiated and signed during the Indian finance minister's forthcoming visit to Bangladesh, meeting sources said.

Sinha, in his meeting with Kibria, assured him of continued co-operation for the mutual benefit of the two countries. He hoped that the SAARC Finance Ministers' meeting will be held without further delay.



Latifur Rahman (Centre), Chairman and Managing Director of Bangladesh Lamps Limited, presides over the company's 39th AGM held at Dhaka Sheraton Hotel on Monday. Photo also shows (from left) Directors Saifur Rahman, Shamsur Rahman, Shahnaz Rahman, Obaidur Rahman Khan, Atiqur Rahman and Company Secretary A.K.A. Muqtadir at the AGM. -- BD Lamps photo

First diamond factory launched in country

Plant to re-export \$13m gems a month

Star Business Report

A joint venture diamond factory, the first of its kind in Bangladesh, expects to export 50,000 stones a month with a turnover of US\$ 13 million, said the sponsors of the new company.

The company, Brilliant Hera Limited, formally came into being yesterday with the signing of an agreement between Asia Global Investment Ltd of Sri Lanka and local partners JW Worldwide Ltd and HRC Bangladesh.

Asia Global Investment Ltd is a subsidiary of the Ceylincio Group of Sri Lanka that owns and manages the largest cutting and polishing factory in the world in Colombo. It is also one of the 'eight holders' of the De Beers company, will provide technology and raw materials to the joint venture company.

"The newly formed company will import rough diamonds from Sri Lanka and use Bangladesh's relatively cheap labour as a low-cost production base to cut and polish the gems for re-export,"

said Onu Jaigirdar, Managing Director of the new company and director of JW Worldwide Ltd.

He said that the joint venture will also result in technology transfer as two trainers from Sri Lanka will initially train up the local workforce.

The factory will go into commercial production in January, 2000 and trial production in November 2000, Jaigirdar said.

Speaking on the occasion, Chairman of Ceylincio Lalith Kotelawala termed the venture as a historic event.

"Through this venture we will be introducing a new product in Bangladesh. Bangladesh is ideally suited for the industry with skilled and hardworking labour force," he said.

He said that Ceylincio has 25 years of experience in diamond trade and has its own brand named 'Colombo Cut'.

Representative of HRC Bangladesh Mirza Ejaz Ahmed was also present in the conference.

39th AGM held

Bangladesh Lamps Limited shareholders to get 15 per cent cash dividend

Bangladesh Lamps Limited, the Official Licensee of Philips Electronics NV Holland for lighting products and manufacturer of PHILIPS electric bulbs, declared a cash dividend of Tk 15 per share at the company's 39th Annual General Meeting held at Dhaka Sheraton Hotel on Monday, says a press release.

Latifur Rahman, Chairman and Managing Director of the company, presided over the meeting which was attended by a large number of shareholders.

The meeting approved the annual report and accounts of the company for the year ending December 31, 1999.

The Board of Directors of the company comprises: Latifur Rahman, Shahnaz Rahman, Saifur Rahman, Atiqur Rahman, Shamsur Rahman and Obaidur Rahman Khan.



A press conference of Brilliant Hera Ltd was held at Dhaka Club Ltd, yesterday. Picture shows Lalith Kotelawala, Chairman of Ceylincio Consolidated (2nd L), Ranaweera, Ceylincio Consolidated (L), Onu Jaigirdar, Director of JW Worldwide Ltd (2nd R), Mirza Ejaz Ahmed of HRC Bangladesh (R) at the press conference. Brilliant Hera Ltd, a joint venture company of JW Worldwide Ltd, HRC Bangladesh and Asia Global Investments (L) Ltd of Sri Lanka, is going to be the first company in Bangladesh to cut and polish diamonds.

Lanka-based investor co mulls local tourism development

Seeing an immense potential in Bangladesh, a Sri Lanka-based global investor is conducting feasibility study to develop tourism facilities in the country, reports UNB.

The company is also planning to invest in information technology (IT) sector here.

"We visited a beautiful spot near the city to develop a tourists resort and the paper work is under process," said Ravi De Silva, Director cum Managing Director of Ceylincio Universal Ltd. The location of the spot was, however, kept undisclosed for business secret.

De Silva was addressing a press conference at a local hotel Wednesday morning following the signing ceremony of a memorandum of understanding (MOU) to launch travel and tourism services in Bangladesh from October 15.

The agreement was signed between the Sri Lankan company and All-Trans Aviation Services Ltd, a sister concern of All-Trans Cargo Services Ltd, Bangladesh.

All-Trans Aviation chairman A B Sarker and Ceylincio chairman Deshmanya Lalith Kotelawala signed the MOU for their respective sides.

Under the strategic alliance agreement, Ceylincio will provide technical support to All-Trans Aviation to facilitate travellers with electronic ticketing, first time in Bangladesh, and a complete service package from arrival of the traveller till his departure from a country.

Travellers from the western countries are increasingly depending on the electronic technology, which facilitate easy access to the travellers.

"If one buys ticket from us, he will be branded as the Ceylincio

traveller to avail himself of all the services through the global network of the company," Kotelawala said.

He said the low-cost service charge would depend on the variety of services as demanded by the travellers and their destinations.

Replying to a question, Kotelawala said they would be coming shortly in Bangladesh with an information technology project. "We'll announce the launching soon."

A B Sarker said they have a plan to develop tourism infrastructure in the lucrative tourism spots in Bangladesh, including the largest seashore in Cox's Bazar.

Ceylincio Group has 106 companies in Sri Lanka with 20 offices abroad. The company launched Agrani Insurance Company here on Tuesday.

Taiwan-China trade thrives despite political impasse

TAIPEI, Sept 27: Taiwan's trade with rival China continued to expand despite a political stalemate, with the island's exports to its giant neighbour hitting a monthly record in July, reports Reuters.

The Board of Foreign Trade said today exports to China reached US\$2,505 billion in July, up 42 per cent from a year earlier.

"July exports to the mainland beat April and May to hit an all-time monthly record," the board under the Ministry of Economic Affairs said in a statement. Viewed over the first seven

months, exports to China expanded 27.3 per cent to US\$14,771 billion, accounting for 17.5 per cent of the island's total exports.

July imports from China were US\$566 million, jumping 55.4 per cent from July 1999, bringing January-July imports to \$3,609 billion, or a 48.2 per cent rise.

Imports from the mainland accounted for only 4.4 per cent of Taiwan's total imports in the first seven months, allowing Taipei to enjoy a whopping trade surplus of \$11,162 billion, up 21.8 per cent from 1999.

The Taiwan government is worried its economy could become over-reliant on China and eventually be swamped by it, but profit-driven entrepreneurs have poured some US\$40 billion into the mainland since a political thaw in the late 1980s.

Analysts say the expected entry of Taiwan and China into the World Trade Organisation (WTO) would force Taipei to remove a decades-old ban on direct trade and transport links and bring the two economies even closer.