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# The Daily Star BUSINESS

DHAKA, MONDAY, OCTOBER 30, 2000

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## Biman Flight Catering starts services to BA

Biman Flight Catering Centre (BFCC) starts its catering services to British Airways (BA) from today. To this effect, a "Catering Services Handling Agreement" was signed between BFCC and BA in the city yesterday, says a press release.

BFCC is an international standard airline catering organisation of South Asia and only of its kind in Bangladesh.

The organisation has been supplying food items and rendering other services to different foreign airlines including Aeroflot, Dragon Air, Iran Air, Qatar Airways, Uzbekistan Airways, Sri Lankan Airlines and Biman since 1989.

Besides, food items and other services are also being provided to the foreign carriers as and when required by them.

## Pakistani apple and date show begins in city today

A Pakistani apple and date show will be held on October 30-31 at Hotel Sonargaon to display the varieties of the fruits grown in that country, reports UNB.

The Export Promotion Bureau of Pakistan is organising the exhibition, second of its kind here, in collaboration with the High Commission for Pakistan in Bangladesh.

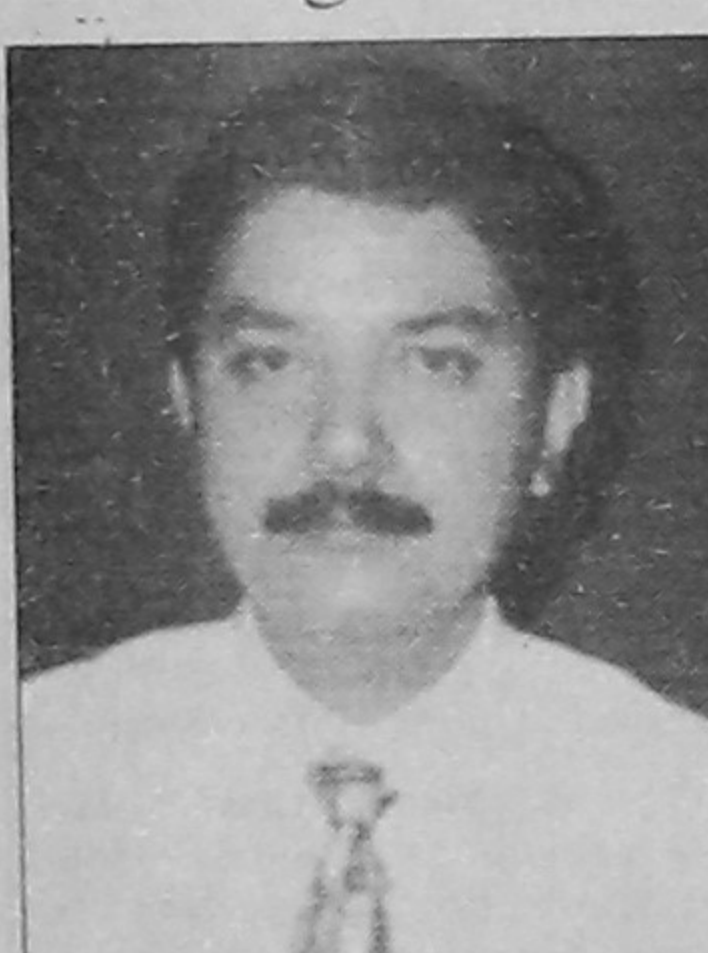
All varieties of apples and dates grown in Pakistan will be displayed in the show. Briefing sessions by a Pakistani expert on "Export Potential of Fruits from Pakistan" will also be organised on this occasion.

A 13-member delegation of the exporters and growers of fresh and dried fruits from Pakistan will be present at the show to meet Bangladeshi importers.

The show will be inaugurated by President of Dhaka Chamber of Commerce and Industry Atiqul Islam on October 30, a Pak HC release said yesterday.

The programme aims at providing opportunities for developing contacts with Bangladeshi importers, commission agents, food processors, distributors, joint-venture partners, food technologists, consultants and marketing firms.

## Saatchi & Saatchi EVP visits Bangladesh



Neel K Chaurasia, Executive Vice President of Saatchi & Saatchi India, leaves Dhaka today after a three-day visit to Bangladesh, says a press release.

During his visit, he met the senior officials of some multinational and local companies in Bangladesh like Procter & Gamble Bangladesh (Private) Limited, Nestle Bangladesh Limited, New Zealand Milk Products Bangladesh Limited, Proshika Computer Systems, Lafarge Surma Cement Limited and Ericsson Radio Systems AB.

Protistabda Communication, the Saatchi & Saatchi affiliate in Bangladesh, arranged a dinner party at the Pan Pacific Sonargaon Hotel in his honour. Senior officials of the leading multinationals and local companies attended the party.

## IBBL to set up forex dealing room with Reuters Money, News-2000

Islamic Bank Bangladesh Limited (IBBL) has decided to establish a dealing room for buying and selling foreign exchange from and to different customers against the underlying import and export trade transaction with Reuters Money-2000 and News-2000 service shortly, says a press release.

The dealing room will be located on the floor of International Division of the IBBL head office, where the bank operates its SWIFT services.

This will help the bank serve its existing and potential customers efficiently and play a vital role in developing the foreign exchange market in the country.

# NBR undertakes project to put customs houses online

### Move to clamp down on corruption, tax evasion

By M Shamsur Rahman

With a view to curbing tax evasion and corruption in the customs department, the National Board of Revenue (NBR) has taken up a project to link up customs houses through an online networking system.

Sources said that Chittagong and Dhaka Customs houses, Kamalapur Inland Container Depot (ICD) and Mongla and Benapal ports will initially be hooked onto the network within the next 15 months, a move which is expected to reduce paper works and unnecessary

harassment of traders. To further strengthen the taxation system, NBR has also approved a proposal to have four new commissionerates in the country in addition to the existing nine offices.

These bodies - Bond Commissionerate, Customs Valuation Department Commissionerate, Sylhet and Benapal Commissionerates - are expected to start functioning shortly, a high NBR official said, adding that the United Nations Conference for Trade

and Development (UNCTAD) is helping in the automation works.

An UNCTAD expert will be in Dhaka next week to conduct a survey and propose a system for the link-up.

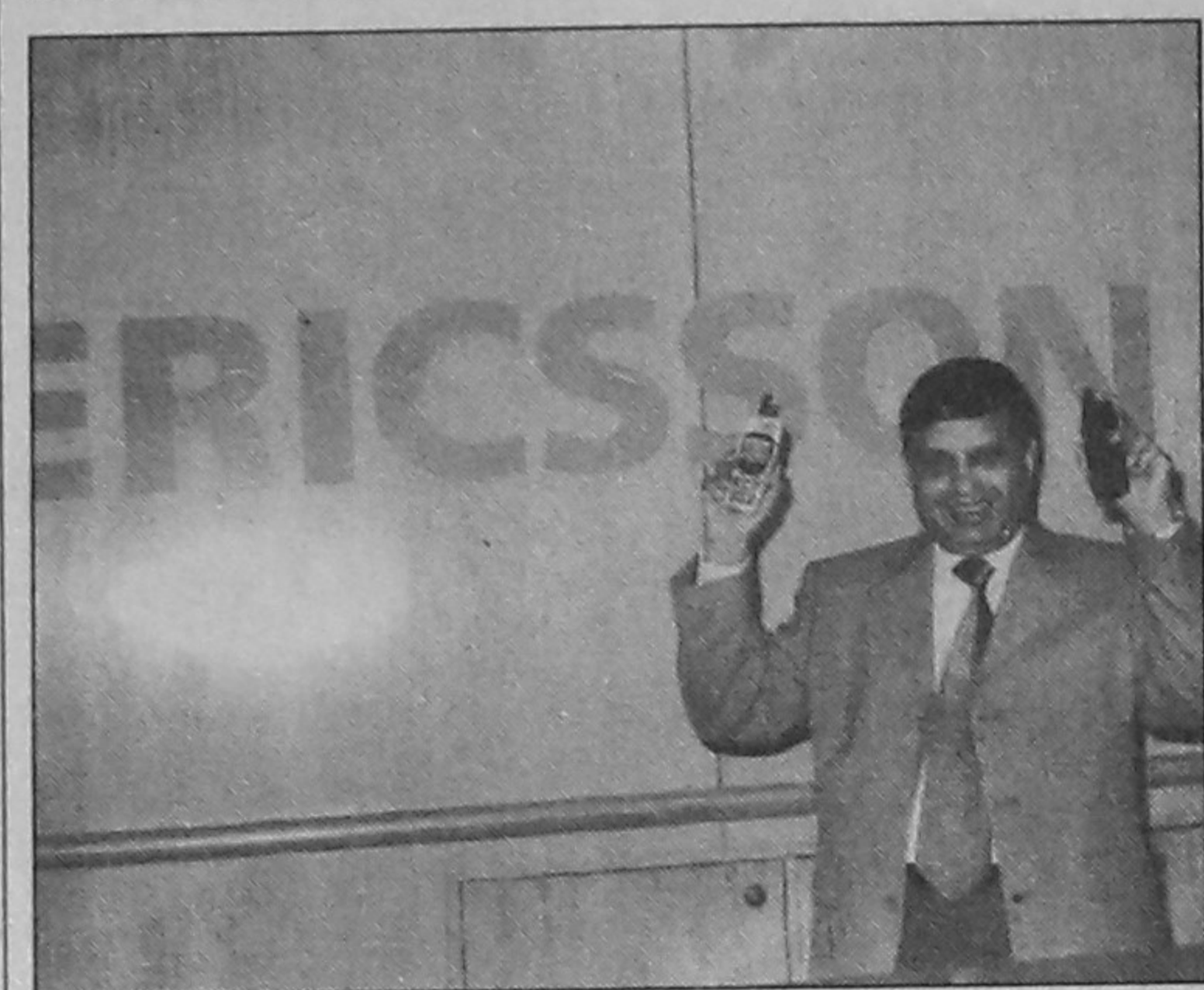
Meanwhile, NBR sources said the necessary administrative order has been issued to create the posts of the four commissionerates. Four additional commissioners will be promoted to the new posts.

The bond commissionerate in Dhaka will control the bonds

of all export-oriented industries.

The Customs Valuation Department will have a computerised database of international commodity prices, which will help customs officials assess the actual price of imported goods by comparing the bills of entry with database prices.

An NBR official working with a project to modernise and reconstitute the customs department said that necessary amendments would also be made to the rules and regulations of the Customs Act.



Engr Anwar Hossain, General Manager of Consumer Products, gives a brief background on Ericsson's activities in Bangladesh at the launching ceremony of the Ericsson A2618s and R320s mobile phones at the Winter Garden of Dhaka Sheraton Hotel yesterday.

## Ericsson brings in two new cell phone sets

Star Business Report

Ericsson launched two of its new generation cellular phone sets - Ericsson A2618s and R320s - in the city yesterday.

The products are targeted at the fast-growing mobile consumer segment in the country, said officials of the company.

Speaking at the launching ceremony at a city hotel yesterday, Ericsson General Manager-Consumer Products, Engr Anwar Hossain, said the A2618s set has a wide range of 'snap-on' covers. It has a new exceptional s-curve design.

"The set will attract different target groups, especially youngmen and businesspeople."

The other set - R320s - has built-in data capability, infrared communication. A lithium polymer battery technology will

also enable the users to log onto Internet services, besides enhancing its beauty by giving a slim look.

He said the company has been doing business in Bangladesh since 1997 through its operators and subscribers. "Our main operators in Bangladesh are BTTB, GrameenPhone, Aktel and Sheba Telecom. Our phones are sold through distributors to subscribers of all three GSM operators," he said.

He also said that around 60 per cent of the total mobile calls are made through Ericsson sets.

Ericsson Managing Director in Bangladesh Mats Bosrup and other officials of the company were also present on the occasion.

# Next election campaign should focus on infrastructure development

### German envoy says at FICCI meet

A European diplomat yesterday urged both the Bangladesh government and the opposition to focus on the upcoming election campaigns on infrastructure development what potential investors from his country want to hear from him, reports UNB.

"With the slow pace of reforms in the power sector, telecom sector and Chittagong Port, I cannot tell the potential German investors, what they want

to hear, namely that infrastructure will improve soon," said German Ambassador in Dhaka Uwe Schramm.

Schramm, whose country is a pioneer of the European Union, made the suggestion at the monthly luncheon meeting of Foreign Investors' Chamber of Commerce and Industry (FICCI) at Sonargaon Hotel. FICCI president Wali Bhuiyan and committee member James Ashworth also spoke on the

occasion. "It would also be very important to keep the economic sectors out of political confrontation and its repercussions," Schramm said.

He viewed that without development of Chittagong port development of Bangladesh economy will not be possible.

He said the conditions determining foreign investment in this country seemed characterised by a curious contradiction,

which is unique to Bangladesh. "The written investment conditions are among the best anywhere, the unwritten are bad."

On the other hand, obstacles on the ground are highly intimidating to the newcomers.

Political instability and confrontational politics, widespread corruption, law-and-order problems, red-tape and a cumbersome as well as over-centralized bureaucracy, frequent power cuts and persistent public utility problems

such as inadequate telephone system are among the most obvious obstacles, he pointed out.

German businessmen, when they talk to the German Embassy, also mention visa as a problem area, the ambassador told the meeting.

He reminded that the success of the RMG sector had not changed much the image problem of the country. The country needs more projection of what it can be proud of.

As of mid-99, there were about 15 German-owned companies and 6 German-affiliated joint ventures in Bangladesh, together with 87 agents or representations of companies from the West European country, most of their managers being Bangladeshi nationals. German investment is only between 20 and 30 million US dollars.

Giving a green signal to the prospective German investors to come to Bangladesh, the envoy urged them to consider the profit margins of doing business here, despite the startup costs being higher than other countries of the region.



Uwe Schramm, Ambassador of the Federal Republic of Germany, speaks at the monthly luncheon meeting of the Foreign Investors' Chamber of Commerce & Industry (FICCI) at Pan Pacific Sonargaon Hotel yesterday. Seated on his left are President of the Chamber Waliur Rahman Bhuiyan and Chamber Secretary Jahangir Bin Alam while on his right is FICCI Committee Member James Ashworth.

## Weekly Currency Roundup

# Euro woes drag down most Asian units

HONG KONG, Oct 29: Concerns over the fluctuating euro dragged down most regional currencies over the week, with domestic problems providing further jitters in Southeast Asia, says AFP.

A lot of eyes were also on the plummeting peso as the political turmoil in the Philippines surrounding President Joseph Estrada catapults the currency to new lows.

**Japanese Yen:** The yen gained ground against the euro during the week as the single European currency fell on expectations key central banks are unlikely to back the currency, dealers said.

But the euro bounced back from a week-long battering Friday after fresh data showed growth in the powerhouse US economy was slowing in a move likely to boost demand for yen as investors switch funds from

greenback to other currencies. The Japanese unit traded at 90.27 against the euro late Friday, compared with 91.80 a week earlier.

**Singapore Dollar:** The US dollar was at 1.754 Singapore dollars in late trade here Friday from 1.751 Singapore dollars a week ago.

**Hong Kong Dollar:** The dollar traded slightly lower at 7.7999-7.7980 to the greenback compared with the previous week's 7.7966-7.7976.

**Indonesian Rupiah:** The Indonesian rupiah weakened over the week to close at 9.065 to the dollar on Friday as compared to last week's close of 8.888 to the greenback.

Traders said the currency was affected by the slide of the Philippine peso and the strain in relations between Jakarta and Washington.

**Philippine Peso:** The Philip-

pine currency closed 51.08 pesos to the dollar on Friday from 48.74 pesos to the dollar on October 20.

The currency fell to a record low of 51.40 to the dollar on October 27 before recovering slightly before closing.

The local currency has been hit hard by a raging scandal over allegations that Philippine President Joseph Estrada received huge payoffs from operators of illegal gambling rackets.

**South Korean Won:** The won weakened from 1,129.10 per dollar a week earlier to 1,135.9 won to the greenback Friday as Asian currencies weakened and concerns over the Hyundai Group's construction unit increased.

A dealer at the Korea Exchange Bank said the dollar-won exchange rate was likely to move between 1,135 won and

1,142 won in the coming week.

**Taiwan Dollar:** The Taiwan dollar declined 0.1 per cent against the greenback over the week to close at 32.267 on Friday in line with movement in the equities market and after the government announced it would call off plans for a fourth nuclear power plant.

The currency stood at 32.076 Monday and edged up to 32.048 Tuesday. It ended at 32.072 Wednesday and finished at 32.093 Thursday.

**Thai Baht:** The Thai baht fluctuated over the week as it fell to hit a 31-month low of 44.18 baht to one dollar Tuesday dragged by Philippine peso, as the government ruled out intervention, dealers said.

But the Thai unit rebounded in late week, trading to close Friday at 43.70-75 baht to one dollar compared to the previous week's close of 43.60-63.

# Bank Asia opens first rural branch in Munshiganj

Star Business Report

Bank Asia yesterday opened its maiden rural branch at Malkhanagar in Munshiganj district with an aim to help strengthen the rural economy.

On the first day of its operation, the new branch also gave micro-credit agreement papers worth Tk 95,000 to small traders and pledged that it would support established businesses as well as new entrepreneurs in rural Bangladesh.

Industries Minister Tofail Ahmed inaugurated the new Bank Asia branch, while local BNP lawyer Mizanur Rahman Sinha, ruling party lawmaker Shegulla Yeasmeen, Bank Asia Chairman M Sayeduzzaman, Vice Chairman A Rof Chowdhury, Advisor Naz-

mul Huq and local Union Parishad Chairman Mohiuddin Ahmed spoke on the occasion.

Praising Bank Asia's move to back rural economy, Tofail Ahmed said the private banks have been showing their interests to open branches in the rural areas because of the country's vibrant economy.

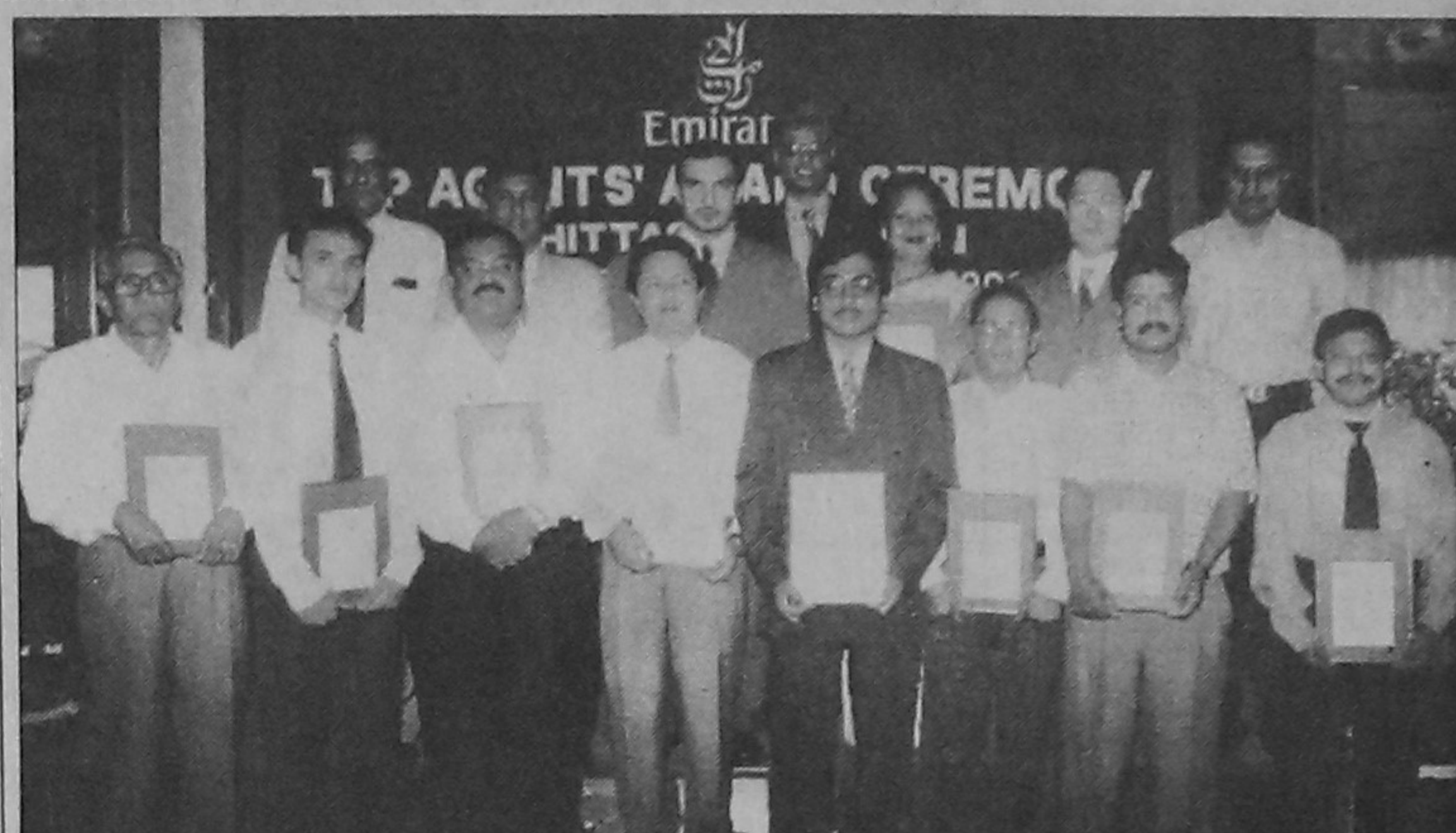
He also hoped that more private banks would take to rural areas since the government rule calls for opening a rural branch against four branches in the urban areas.

However, Mizanur Rahman Sinha MP differed with the minister over the ruling party's development effort and said that the government had mis-

erably failed to do anything for the country's progress.

While emphasizing the banks' role in the country's economic development, former minister and bank Chairman M Sayeduzzaman said that Bank Asia would try to create new jobs and eradicate poverty through this rural branch. He also committed that they would soon take a project to help the meritorious but poor students carry on with their higher education.

A Rof Chowdhury said they are keen to support the educated youth force, who would come forward with viable projects, in their mission to do something of their own.



Emirates awarded its top agents of Chittagong at a luncheon at Hotel Agrabad on Saturday. Picture shows Majid Al Mualla, Manager-Bangladesh, Emirates, with the agents.

- Emirates photo

# Palestinians show signs of economic frustration

JERUSALEM, Oct 29: Palestinians started to show signs of economic frustration in their new uprising against Israel, with more than 100,000 people unable to attend their jobs and Palestinian leader Yasser Arafat saying he was not seeking economic division between his future state and Israel, reports AP.

Clashes persisted in the West Bank and the Gaza Strip on Saturday. Israeli troops fought Arab stone throwers with rubber-coated bullets and tear gas at chronic trouble spots, leaving more than 50 Palestinians injured.

Though the confrontations included at least a dozen shooting attacks on Israeli soldiers and a homemade bomb

thrown at a border police patrol, no one was killed by day's end, a rare occurrence since violence first erupted a month ago.

The Israeli military has predicted that the unrest could go on for months. Ibrahim Hawandi, a young Palestinian watching the clashes in the restive West Bank town of Ramallah, agreed that Palestinian anger was still running high.

But, he said, the uprising was taking a heavy economic toll on the Palestinians, many of whom haven't been able to travel to jobs in Israel. "People want to go back to work, they're running out of money," Hawandi added in reference to the more than 100,000 Palestinians

working in Israel. Often, such workers provide the only source of income for large families and are more concerned about their future than the "shabbah" or youths and younger men mainly involved in the clashes. However, any restraining role they may play is highly doubtful.

Palestinian leader Yasser Arafat appeared to echo these concerns as he called for a political separation from Israel and an independent state on all land Israel captured in the 1967 Middle East war. But Arafat insisted in an interview with the Egyptian paper Al-Ahram that he would reject any geographic or economic division.



French artist and website creator Fred Forest poses for photographers late Saturday after the world first auction sale of a website at the Hotel Drouot, Paris Auction House.

- AFP photo

# Economic integration tops Nov Asean summit agenda

SINGAPORE, Oct 29: Economic integration will headline next month's ASEAN summit with the thorny issue of Myanmar kept out of the spotlight, and a Spratly's code of conduct again left unresolved, officials said, reports AFP.

Summit hosts Singapore are already wired up to push their integration message at the informal summit, so called because it contains no formal agenda.

The road will not be easy. The Association of Southeast Asian Nations (ASEAN), often described as an ineffective sunset organisation, was unable to produce a united response to the 1997 financial crisis.

But for trade dependent Singapore, ASEAN economic integration is of prime national importance.

"With enlargement, ASEAN must take steps to integrate the new members with the region and the world economy," the government said in a statement.

"We must also take concrete and practical steps to enhance ASEAN's economic competitiveness."

Easing the path to preparing the unwritten agenda has been ASEAN's success in having the European Union (EU) agree to talks in December, ending a freeze in relations since Myanmar was admitted to ASEAN ranks in 1997.

Myanmar is under fire from the EU for its treatment of democracy leader Aung San

Sun Kyi, who is under effective house arrest, and from the International Labour Organisation for the use of forced labour.

But ASEAN, with a policy of not interfering in the internal affairs of its members, has resisted all pressure to intervene.

ASEAN hopes that tensions over the Spratly island claim could be defused during talks with China on the sidelines of the November 22-25 summit held at a recent Hanoi meeting (Chinese and ASEAN diplomats which again failed to reach agreement on a proposed code of conduct).

The sticking point is ASEAN's demand for a special undertaking from Beijing not to occupy more reefs in the disputed South China sea claim which is believed to sit above vast oil reserves.