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# The Daily Star BUSINESS

DHAKA, MONDAY, NOVEMBER 13, 2000

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## Kibria asks China to soften ISP loan terms

Finance Minister Shah AMS Kibria has requested China to soften the terms and conditions for interest subsidised preferential (ISP) loan and suppliers credit for Bangladesh, reports UNB.

Talking to a visiting Chinese Vice Minister, he also requested consideration of larger amount of interest-free credit for infrastructural projects and Chinese assistance with increased grant and ISP loan.

In reply, Chinese Vice Minister for Foreign Trade and Economic Cooperation Sun Zhenyu assured of looking into the terms and conditions for Chinese loan and assistance to Bangladesh.

There is a comprehensive plan for the purpose, he said during the meeting with the finance minister at his residence this on Saturday.

Termining Bangladesh a good friend of China, Sun Zhenyu said that relations between the two countries would strengthen in the years to come.

He strongly supported the larger participation of the Chinese private entrepreneurs in Bangladesh and said his government is encouraging Chinese investment abroad including Bangladesh.

Both the ministers discussed matters of mutual interest particularly for further expansion of economic relations between the two countries.

The finance minister expressed gratitude to the Chinese government for its continued support to development projects in the country, said an official handout.

## Dunham-Bush executive due in city today

Francis Yeo, Regional Marketing Manager of Dunham-Bush International, arrives in the city today on a 3-day business visit to Bangladesh, says a press release.

During his stay, he is expected to meet a number of corporate clients and discuss issues of mutual interests.

Dunham-Bush air-conditioning products are in extensive use in Bangladesh and its current clientele include Civil Aviation Authority of Bangladesh (CAAB), BIRDEM, Hosaf Twin Tower and Shanta Industries.

Interested corporate clients have been advised to contact Alook Refrigeration Co. Ltd, the authorized distributor of Dunham-Bush in Bangladesh, for possible communications with Yeo.

## DCCI signs MOU with Nepal Chamber

Dhaka Chamber of Commerce and Industry (DCCI) and Nepal Chamber of Commerce (NCC) have signed a Memorandum of Understanding to boost trade and commerce between the two countries.

The MOU was initiated by President of DCCI, Aftabul Islam, and NCC Chairman Rajesh Kazi Shrestha at a city hotel on Friday, says a press release.

The MOU aims at greater co-operation like exchange of information, exploring the possibility of joint ventures in the private sector and exchange of delegation between the two chambers.

NCC Second Vice-president Surendra Bir Malakar immediately past President Mahesh K Agarwal, Executive Committee Member of Shiv Bhagawan Agarwal, and Executive Director of Nepal-Arab Bank Ltd, D C Khanna, were present on the occasion.

DCCI Directors Mohd Reazuddin, Benajir Ahmed and Mohammad Zainul Abedin, former Director MA Momen and Secretary Mirza A Matin were, among others, present at the signing ceremony on behalf of the Dhaka Chamber.

## ASEAN banking confce ends in Vietnam

HANOI, Nov 12: The 13<sup>th</sup> ASEAN banking conference and the 30<sup>th</sup> ASEAN Banking Council Meeting concluded here Saturday, calling for closer cooperation and coordination among ASEAN banks, says Xinhua.

In his closing remarks at the council meeting, ABA Chairman Datuk Amirahams urged all members to give full support to the various committees tasked with implementing the various resolutions of the ASEAN Banking Council.

ABA members agreed to adopt international standards for a credit risk rating system and to share data and experience to validate their internal risk models, according to a press release of the conference.

The ABA will establish a structured framework for cooperation, which will capture the interests of every member at the ASEAN Banking Council level to enhance regional cooperation among ASEAN banks.

# Operational deal signed to launch handyphones

Star Business Report

Bangladesh Telegraph and Telephone Board (BTTB) on Wednesday signed an operational agreement with a private company to launch 200,000 Personal Handyphone Service (PHS) in Dhaka.

Earlier on September 21, Bangladesh Broadcasting Telephone Technology (BBTT), the

company which is implementing the project, was awarded with the frequency to run the phone service. The code number of this new phone network will be 014.

"We hope that PHS phones will be available soon as our company has completed all official formalities with BTTB,"

said MK Bazul Rahman, President and Chief Executive Officer of BBTT, adding Yoshihika Chosokabe, Chairman of Brain Trust Co of Japan, visited Bangladesh in October to witness the project's progress.

For its own network, the company has already completed two exchanges (cell stations) at Sher-e-Bangla Nagar and Gulshan. Installation works of two more exchanges at Uttara and Chakabazar are also going on. Moreover, a Japan-Bangladesh joint team is working to set up 14 exchanges in the Dhaka city.

PHS, a Japanese technology, can transfer data at a speed of 32 kbps and send e-mails. Under a joint operation with BTTB, the PHS service will be available only within its network in the capital and BTTB will get 51 per cent of the total revenue without any investment.

A person will have to pay between Tk 12,000 and Tk 15,000 for a complete PHS package including the set, security money and connection fee. With a line rent of Tk 200 per month, there will be no incoming charges for PHS phone calls and the subscribers will have to pay Taka two for a three-minute call. For every additional minute of talk time, they will be charged Tk 0.50.

A number of Japanese companies have formed a consortium to provide financial and technical assistance to BBTT for the project with an investment of Tk 805 crore.



Khondokar A Matin, Chairman of BTTB, and MK Bazul Rahman, President and CEO of BBTT, exchange documents after signing the operational agreement Wednesday. BTTB Board members Shahed Motiur Rahman and NH Chowdhury are also seen in the picture. —BBTT photo

# Tofail urges Japan to raise import from Bangladesh

Call for increased investment

Industries Minister Tofail Ahmed on Friday urged Japan to increase import from Bangladesh as the country produces quality frozen foods, readymade garments, jute goods and other agri-products, reports BSS.

He made the request at a meeting with the visiting Executive Vice-president of Japan External Trade Organisation (JETRO) Masao Kawai at his official residence in Dhaka.

The minister said Japan being the biggest development partner of Bangladesh, investors from that country can invest here in a bigger way. Bangladesh has formulated a very attractive investment policy to encourage investment, the minister said and added that Japan with other developed nations has committed to give better market access to LDC's products. He requested the JETRO executive to pursue the case with the Japanese government as promised at WTO.

Elaborating Japanese in-

vestment in public sector enterprises, the minister said the BMRE and granulation plant at Ghorashal Urea Fertiliser Factory with the Japanese assistance is under progress. He said the government is planning to set up a diammonium phosphate plant in Chittagong with Japanese financial support and sought Japanese support in BMRE of other fertiliser, paper and other public sector enterprises.

Responding positively, the JETRO vice-president said that Japan was presently providing technical assistance for the quality improvement of RMG products. He said, quality is the main concern of Japanese consumers and requested the minister to take measures for improvement of the same in shrimp processing, which has a good market in Japan.

Referring to more Japanese investment, the JETRO representative said, Japanese investors are aware of the proposal

for introducing trade union in EPZs. He said, investors also prefer infrastructure development participation. He said that Japan was increasing its trade and investment link with Bangladesh, as it has confidence in the Bangladesh government and its people. He assured the minister that Japan would continue to work very closely with Bangladesh for mutual development.

Assuring the Japanese representative of the proposed TU in EPZs, the minister said the workers' welfare association will be formed there, which will be different from traditional trade unionism. He said, in the early nineties, our export faced serious challenges on child labour issue. But we overcame the challenge successfully, and this time, we would be able to resolve the TU issue successfully, he assured.

JETRO representative in Dhaka Daitsuke Arai was present.



Aftab-Ul-Islam, president of Dhaka Chamber of Commerce and Industry, and Rajesh Kazi Shrestha, Chairman of Nepal Chamber of Commerce, exchange documents after signing a memorandum of understanding at a city hotel on Friday. —DCCI photo



Ramjit Budhraj, CEO of Hyundai Cement, makes a presentation on the company's Premium Dealership offer at a function held at Dhaka Sheraton Hotel on Friday. —Hyundai Cement photo

# Two Koreas agree on single currency, economic co-op

SEOUL, Nov 12: North and South Korea on Saturday initiated four economic agreements, and a single currency for trade, adding momentum to expanding inter-Korean economic cooperation, reports AFP.

Economic officials from both sides agreed in Pyongyang on measures to avoid double taxation, settle cross-border payments, investment guarantees and for settling disputes, a report from the North's capital said.

With the agreements in place, a new chapter was opened in inter-Korean economic relations, South Korea's chief delegate, Lee Keun-Kyung, told journalists in Pyongyang.

Under the agreements, the two sides will grant each other Most Favoured Nation status, allowing businesses to operate

freely across the border. The agreements, which have yet to be approved by either parliament, are seen here as a boon to inter-Korean economic cooperation.

It will allow North Korean firms doing business in South Korea to pay or be paid at banks in the south, and vice versa, rather than using foreign banks.

The two Koreas also agreed to launch a "Korean euro," their own single currency, for use with US dollars for future inter-Korean trade, according to press reports.

The new currency would be a special means of payment to be used exclusively in inter-Korean trade, South Korean Assistant Finance and Economy Minister Lee Kyong-Keun, was quoted as saying in Pyongyang.

The South's chief delegate compared the new inter-Korean currency with the euro, used in 11 European countries and launched in January 1999. He did not elaborate, or say what the new currency would be called.

The agreements will allow businessmen from both Koreas to operate more freely in each other's territory, Yonhap News Agency said.

They will be allowed to repatriate profits home.

Aside from the four agreements, the South's delegates were allowed to inspect the distribution of South Korea's food assistance to the North.

Lee had asked for "transparency" in checking how food aid, amounting to some 150,000 tonnes, sent last month was distributed in the North.



John Filmeridis, Regional General Manager of Middle East and South Asia of Standard Chartered Group, opens the 12<sup>th</sup> ATM of Standard Chartered Grindlays Bank at Pallabi in the city recently. Muhammad A Ali, Chief Executive Officer of the bank and Senior Representative of Standard Chartered Group in Bangladesh, and other senior officials were also present on the occasion. —StanChart Grindlays photo

# China may award 12 foreign insurers new licences

BEIJING, Nov 11: Twelve foreign insurers will likely be issued new licenses to operate in China, including four US companies, five European ones, two Japanese and one Korean, a local newspaper has reported, reports AFP.

China Securities said the US companies with a high likelihood of winning the licenses after China's entry into the World Trade Organization (WTO) are New York Life International, Metropolitan Life, CIGNA and Transamerica Occidental Life Insurance.

The four European companies which will likely win licenses are Germany's Allianz and Gerling, France's AXA Group, Britain's CGNU and

Scandinavian insurer Skandia, the report said.

The two Japanese companies include Mitsui Marine and Fire Insurance Co. Ltd., and the Korean company is Samsung Property Insurance, the first Korean company to enter the Chinese insurance market, the report said.

The 12 companies have been told they have a good chance of winning the licenses, the report said, and some are trying to find Chinese partners for joint ventures, including Minsheng, Eastern, Life and Hengan.

The newspaper did not specify when the approvals would be made. China is in the final stage of trying to join the WTO with its accession ex-

pected in a few months. China agreed to give seven new licenses to European insurers as part of the May 19 Sino-European Union deal on its WTO membership.

Two of the licenses were immediately awarded to Italy's Generali and Dutch ING after the signing of the agreement.

A French insurer had told AFP Friday no French companies were selected among the new group, further raising concerns among French businesses here that French firms are being kept out of contracts.

The source said that French companies were excluded from a list of five European companies earmarked for the new licenses.

## Hyundai Cement launches Premium Dealer scheme

Hyundai Cement, now a part of the global cement-manufacturing leader "Holderbank" launched a promotional scheme for their premium dealers at Sonargaon Hotel on Friday, says a press release.

The scheme offers the exclusive dealers extra benefits for their Premium Dealership status. The scheme proposes to divide the Dhaka metropolitan city and its surrounding areas into different zones for providing exclusive rewards to dealers in these areas.

The dealers will also take part in improving customer services in their areas and in other pro-active drives together with Hyundai Cement.

The rewards include paid vacations in foreign locations and many other items. This offer is a part of Holderbank's philosophy to provide better service to its customers. Holderbank believes in fostering the needs of its immediate partners to cater fully to the demands of the customers.

Ramjit Budhraj, CEO of Hyundai Cement, made a detailed presentation on the Premium Dealership offer, followed by an interactive session to enroll the dealers for the scheme. The function ended with a dinner programme.

Holderbank is a global giant in cement manufacturing with presence in over 75 countries. In Bangladesh, this is their second month. Following the purchase of Hyundai Cement and the process of building a new production unit, this is the third structural improvement by Holderbank.

## Standard Chartered Grindlays opens ATM at Pallabi

Standard Chartered Grindlays Bank has opened its twelfth Automated Teller Machine (ATM) at Pallabi in the city.

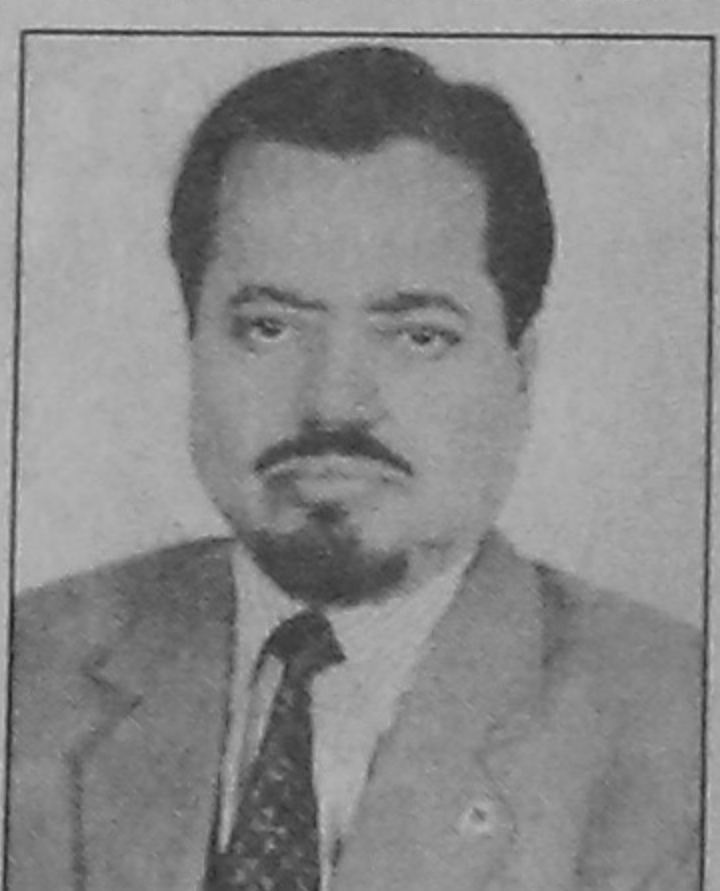
John Filmeridis, Regional General Manager, - Middle East and South Asia of Standard Chartered Group, formally inaugurated the ATM at a simple ceremony held recently, says a press release.

Muhammad A Ali, Chief Executive Officer of Standard Chartered Grindlays and Senior Representative of Standard Chartered Group in Bangladesh, and other senior officials of the bank were also present on the occasion.

In order to provide superior customer service and ensure convenience for its customers, Standard Chartered Grindlays intends to install few more ATMs very soon.

Apart from Standard Chartered Grindlays ATM Cards, all the ATM machines of Standard Chartered Grindlays Bank in Bangladesh accept Cirrus cards, both local and international MasterCard and VISA credit cards.

## New managing director of Standard Bank



Salazar Syed Nizamuddin Ahmed has recently taken over as Managing Director of Standard Bank Ltd.

He is one of the senior-most bankers of the country with 36 years of banking experience.

With an M Com degree in Management, Nizamuddin held many important positions in different banks.

In 1993, he was promoted as Deputy Managing Director of Janata Bank and later became the Managing Director of Rupali Bank Ltd.

He also served as founding Managing Director of Ansar VDP Unnayan Bank, a govt-controlled specialised bank.

Nizamuddin was the Advisor of the Premier Bank Ltd until joining Standard Bank Ltd as Managing Director.

He attended many important international seminars, workshops and symposiums and visited a number of foreign countries on official duties.

In 1993, Nizamuddin received "Sir Jagadish Chandra Bose" Gold Medal as Banker of the Year.

He is a social worker being associated with a number of socio-cultural organisations.

He was the past Deputy District Governor of Lions Club International District 315A and presently is the Chief Advisor to the District Governor, Lions Club International District 315A-1.

# OPEC may not raise output despite soaring oil prices

VIENNA, Nov 12: Despite soaring crude prices, OPEC is unlikely to raise oil output again and is already mulling a cut in production ahead of an expected drop in demand next year, members of the oil cartel said Saturday, reports AFP.

As the delegates arrived in Vienna for an extraordinary meeting on Sunday, the focus was already on the possibility of a slump in prices as demand for winter heating oil tails off early next year.

Some ministers said another extraordinary meeting of the 11-member cartel was likely in January to assess the market.

Iran's Oil Minister Bijan Namdar Zangeneh said market fundamentals do not warrant a further output increase this year. The minister also said he thought OPEC would need to cut output next year.

OPEC has already hiked production by 3.7 million barrels a day over the course of the year, but prices have stayed at near-record levels. That's causing concern in consumer nations, which worry about footing high heating oil bills when winter arrives.

And another increase seemed out of the question Saturday.

"Under no way are we going to raise production," said Kuwait Oil Minister Sheikh Saud Nasser al-Sabah when asked if output would be boosted by the end of the month.

On the contrary, OPEC ministers seemed more interested in the possibility of slashing production - perhaps as early as next year.

The group's Secretary-General Rihwanu Lukman said an output cut might be needed if oil prices fall over the next six

months, and United Arab Emirates Oil Minister Obeid bin Saif al-Nasser added that a cutback could be triggered if prices fall below \$25 a barrel for the basket of seven crude OPEC considers.

While the oil cartel was not expected to announce any changes in its production strategy after Sunday's meeting, several ministers said another meeting might be needed in January to reassess the situation.

Acting in January would be a pre-emptive strategy to ensure no price collapse," said Raad Alkadiri, an oil analyst with the Washington-based Petroleum Finance Company.

Although OPEC remains under pressure to ease prices by producing more, the cartel argues that the market is already awash with oil and it blames high prices on refining bottle-

necks and high fuel taxes in many consumer nations.

Lukman warned Saturday that global oil supply is exceeding demand by about 2 million barrels a day at the moment.

Already this year the oil cartel, which produces almost 40 per cent of the world's crude, has raised production for times in an effort to temper prices that have peaked at some of the highest levels since the Gulf War. But to no avail.

December crude futures were trading up 10 cents to \$34.02 a barrel on the Nymex on Friday, while North Sea Brent crude fell 14 cents to \$32.02 a barrel on the International Petroleum Exchange in London.

Heating oil for December delivery fell just less than a cent to \$1.01 a gallon. Most recently, high prices

triggered an automatic increase on Nov 1 of half a million barrels a day in OPEC output, under an arrangement the group's members agreed to beforehand.

This arrangement requires OPEC to add 500,000 barrels to its daily production if the average price for OPEC crude exceeds \$28 for 20 consecutive trading days.

Because prices are all but certain to remain above \$28 for another 20 day stretch - prices for the basket of seven crude OPEC considers have been hovering around \$30 for the past eight days - OPEC should, in theory, decide to hike production once again in the near future.

But it is not clear that OPEC could raise output even if it wanted to because many member nations are already producing at capacity. Iran and

Venezuela - OPEC's second and third-biggest producer after Saudi Arabia - are having trouble meeting their targets, as are Indonesia and Nigeria.

As a whole, OPEC produced about 29.5 million barrels a day in October, according to the Paris-based International Energy Agency. That is substantially higher than the cartel's official target output of 26.7 million barrels a day.

Beside debate over strategy, Sunday's meeting is likely to tackle the thorny question of who should succeed Lukman, whose tenure ended in September 1999.

He has continued serving only until group members can agree on who should follow him. But OPEC heavyweights Saudi Arabia, Iran and Iraq have not been able to agree on a candidate.