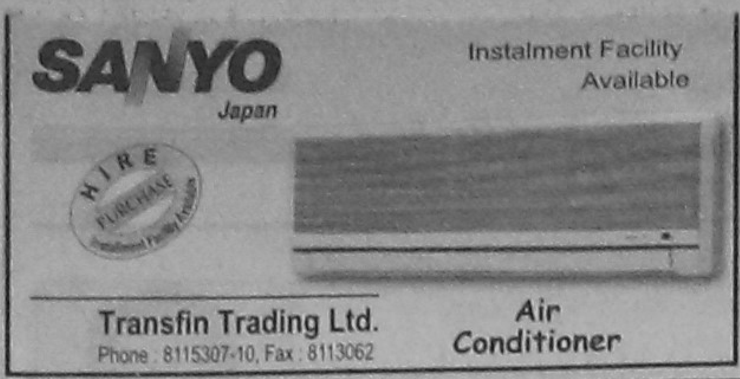

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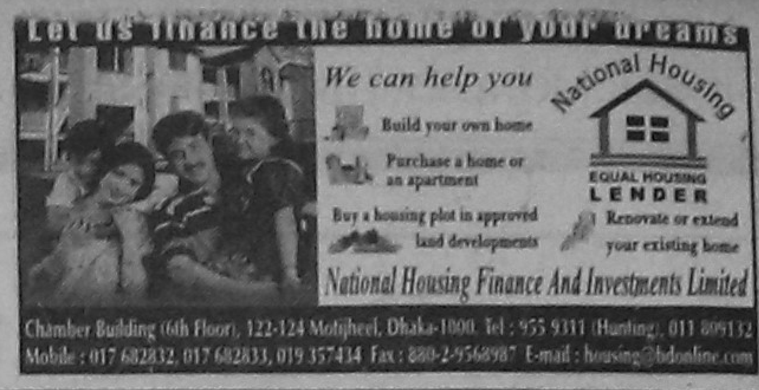

UK to write off 41 nations' debts

LONDON, Dec 3: The British government pledged Saturday to write off the debt of 41 of the world's poorest countries, urging other rich nations to follow suit, says Xinhua.

Chancellor Gordon Brown said that all debt payments to the UK from 41 of the world's poorest countries had either now been stopped, or would be held in trust for the day they can be returned to fund poverty reduction.

Brown told a Drop The Debt rally organized by Jubilee 2000 here: "Because poverty is so great and the need so urgent, neither you nor I want the richest countries to benefit any more from the debts of these poorest countries."

The rally comes just weeks before the end-of-year deadline for the cancellation of all unpayable Third World debt, set by Jubilee 2000 on its foundation in 1996.

Brown said the move would help create a "virtuous circle of debt relief, poverty reduction and sustainable economic development."

The Treasury Office said 12 nations, including Cameroon, Honduras and Senegal, would have their debt payments written off immediately, while another eight were likely to meet the government's criteria by the end of the year.

A further 21 countries that are involved in violent conflict or have failed to meet the criteria will have their payments held in trust and returned to them once they qualify.

Creditor nations agreed at last year's Cologne Summit to scrap 100 billion US dollars, but Jubilee 2000 estimates that 300 billion US dollars owed by 52 countries must be scrapped to end the debt crisis.

End to ban on edible oil export can fetch country huge forex

By Monjur Mahmud

The country can add a new item to its export basket if the government withdraws the present restriction on edible oil export, refiners say.

The government has kept a ban on edible oil export as the country does not produce enough oil to meet local demand, which is currently addressed by importing around 6.5 lakh tons of crude oil.

Crude soyabean is imported from Argentina and Brazil, palm oil from Malyasia and Indonesia whereas mustard oil comes from Australia, Canada, Russia and France.

There are now 72 edible oil refineries in the country of which 20 to 22 units are running their businesses at full capacity while the rest have huge idle capacity.

"Some of the refineries have modern machinery and are equipped to process high-quality edible oil for export," said an entrepreneur. "This can be a profitable proposition and at the same time globally-competitive as oil refining involves around 25 to 30 per cent value addition. This will help us price our products competitively," he observed.

"We do not need any additional investment to install new plants in this sector. We already have the required infrastructure in place. What we need at the moment is to withdraw the present ban on edible oil export," he said.

When contacted, Commerce Secretary Golam Rahman said the government will consider if refiners come up with specific proposals for withdrawal of the ban. "We will definitely consider the proposals on case by case basis", he said.

But before withdrawing the present restriction the government has to be convinced that local value addition is satisfactory and at the same time there is no intention to evade tax, Rahman told The Daily Star.

According to sources, the importers presently have to pay around 40 per cent tax including 15 per cent import duty and 15 per cent value added tax (VAT) to import crude oil.

Last year, the country's total demand for edible oil was around 6.5 lakh tons. This included 4.73 lakh tons demand soyabean, 1.1 lakh tons master oil and 77 thousand tons palm oil.

Kafil H S Muyeed, Additional General Manager – Distribution, Sales and Marketing Division of GrameenPhone, and Rumee A Hossain, Executive Director of Rangs Industries Ltd, exchange the documents of the dealership agreement signed by the companies yesterday.

Chairman of the Board of Directors of Desh Garments Rokeya Quader speaks at the company's 23rd AGM held at a city hotel on Saturday. – Desh Garments photo

GrameenPhone, Rangs Industries sign dealership agreement

GrameenPhone Ltd, the largest mobile phone service operator in Bangladesh, yesterday signed a dealership agreement with Rangs Industries Ltd, says a press release.

According to the agreement, Rangs Industries Ltd has become an authorised dealer of GrameenPhone.

Rangs will start selling GP connections with handsets from 15 outlets throughout the country. Out of these 15 outlets, 9 are located in Dhaka. Later on, the other outlets will also start setting GP connections. On behalf of GrameenPhone, Additional General Manager - Distribution, Sales & Marketing Division Kafil H S Muyeed signed the agreement and Executive Director Rumee A Hossain signed the deal on behalf of Rangs Industries Ltd.

Also present at the signing ceremony were Director-Sales and Marketing Mehboob Chowdhury, Deputy General Manager-Corporate Sales Mahboob Hossain, Deputy Manager-Dealer and Outlet Section Rezaul Hossain, Officer-Dealer and Outlet Section Md Ashraful Islam from GrameenPhone Ltd and Fazle Selim, Director-Rangs Industries Ltd.

These Rangs outlets in Dhaka are located at Old Airport Road Tejgaon, Gulshan, Shyamoli, Ibrahimpur, Mirpur, Hatkhola, Uttara, Elephant Road and Tejgaon. And the other outlets are located in Chittagong, Sylhet and Rajshahi.

French businessmen keen to invest more in Bangladesh

Ambassador tells Tofail

Being informed about the incentives, French investors have showed interest to invest more in Bangladesh for enjoying better scopes and facilities on offer, says UNB.

French Ambassador to Bangladesh Michel Lummaux conveyed the message to Industries Minister Tofail Ahmed in a meeting at his office in the city yesterday.

Lummaux said Lafarge is going to set up a cement factory at Chhatak with an investment of USD 237 million and another French company is likely to set up an LPG bottling plant in Chittagong.

The French envoy also informed the minister that he was trying to attract more French investment in agro-based industry.

"French businessmen and investors are well informed about Bangladesh and they have shown interest to invest in Bangladesh," he said.

Expressing satisfaction over the progress of French investment in the country, Tofail Ahmed said: "We are getting a lot of responses from foreign investors."

With the increase in exports, local consumption rate has also increased substantially as the purchasing power of the rural people improved.

"It's a very good signal for the investors as they will get a local market of 130 million people in addition to their export markets."

Elaborating the efforts undertaken by the government for the uplift of rural people, the minister said that poverty alleviation programmes like Asrayan, micro-credits, monthly allowances for the elderly people, VGD and VGF brought tangible changes in rural life.

He said rural infrastructure development, bumper agri-production and self-employment projects have created dynamism in rural economy.

Desh Garments holds 23rd AGM

The 23rd AGM of Desh Garments Ltd was held at a city hotel on Saturday, says a press release.

The meeting was presided over by Chairman of the company's Board of Directors Rokeya Quader and conducted by Company Secretary Habibur Rahman.

The audited accounts for the year ending June 30, 2000 and the reports of the Directors and Auditors were passed unanimously.

The shareholders approved a five per cent dividend for the financial year 1999-2000 declared by the company.

The meeting unanimously re-appointed retiring directors Nurul Iman Khan and Vidiya Amrit Khan as per Articles of Association of the company.

Mazumder & Co was unanimously re-appointed Auditors of the company for the next financial year.

Thailand aiming to become 'Detroit of Southeast Asia'

BANGKOK, Dec 3: With an eye on the rebound from 1997's economic crisis, Thailand is fostering ambitions to become the strategic centre for car manufacturing in a future Southeast Asian common market, says AFP.

"Thailand is the hub in this region for the automotive industry," said Staporn Kavitanon, general secretary of the Thai Board of Investment.

"We are stressing openness, free trade and competitiveness."

He told a delegation of French industrialists recently.

Thailand, which aspires to become "the Detroit of Southeast Asia", has attracted a number of American and European manufacturers.

This year has seen the world number one vehicle maker General Motors, as well as its perennial competitor Ford, begin production here.

Since June, GM has been turning out its Zafira model in a 24 billion baht (643 million dollar) factory at Rayong, southeast of Bangkok. Of the 40,000 units produced annually, 85 per cent are destined for export, mainly for Europe and Australia.

At the launch of the Zafira, GM stressed the Rayong plant was "historic" for the Thai car industry, in that European exports were being built entirely on Thai soil for the first time.

As for Ford, it has invested hundreds of millions of dollars in a new assembly line for a saloon car model, a pick-up truck and a mid-range model for its partner, Mazda.

Additionally, Germany's BMW has recently been assembling two models in its new 3-series range in Thailand.

On the French side, Renault, which owns 36.8 per cent of Nissan, has been studying in recent months the possibility of returning to the country by using existing facilities belonging to its Japanese partner.

The Renault marque quit the kingdom and its R19 model assembly plant in 1994.

According to industrial sources in Bangkok, Renault is considering manufacturing the Scenic model in Thailand from 2001.

Following the pioneering involvement of Nissan and Toyota in the 1960s, the Japanese have made the domestic Thailand market their own. Japanese brands represent 92 per cent of sales here.

But the 1997 economic crisis and the collapse the next year of consumer demand within Thailand forced the firms to realign their production towards export.

Dhaka, Hanoi agree to boost tourism co-op

Bangladesh and Vietnam have agreed to boost bilateral cooperation in different areas like tourism and cultural exchanges between the two countries, reports UNB.

A formal meeting between the two countries last week decided to take follow-up actions through diplomatic channels on working out institutionalised cooperation in those areas.

The talks between the visiting Bangladesh delegation and Vietnamese Minister for Minority Affair's Hoang Duc Nghi were held in Hanoi November 27-30, according to a message received here yesterday.

Chittagong Hill Tracts Minister Kalparanjan Chakma led the Bangladesh delegation.

The Bangladesh Minister emphasised that early reopening of a Resident Vietnamese Diplomatic Mission in Dhaka would greatly facilitate and enhance cooperation between the two countries.

In reply, the Vietnamese Minister promised that he would communicate the matter to relevant authorities in Hanoi.

They also discussed possible areas of cooperation relating to the minority communities of the two countries.

In the meeting, the Vietnamese minister gave a detailed briefing on the minorities in Vietnam listing the policies and programmes regarding their socioeconomic development.

On the other hand, Kalparanjan Chakma briefed on the present situation and development programmes in CHT areas and the salient features of the CHT peace accord.

The Bangladesh Minister also called on Deputy Prime Minister of Vietnam Pham Gia Khiem and conveyed the greetings of Prime Minister Sheikh Hasina to the Prime Minister of Vietnam.

S'pore property fever no more

SINGAPROE, Dec 3: The once booming residential property scene in land-scarce Singapore is no more, and sombre real estate companies cannot see any near-term improvement despite diving prices, reports AFP.

The historical link between a sizzling economy and rampant property sales has been broken, they said.

Although the economy is heading for near 10 per cent growth this year, it has failed to excite asset-conscious Singaporeans into buying a home.

The boom-bust cycle in the 1990s taught buyers to err on the side of caution, industry analysts say.

In the 18 months from the end of 1998 to mid-2000 private residential properties prices rose as much as 40 per cent, but Singaporeans held on tight to their cheque books.

"When prices are up so quickly, there is no real hurry for genuine buyers," said Ong Teck Hui, a senior director at property firm Knight Frank. "This is called buyer resistance," he said.

The market has since retreated, yet as fast as prices fall, sales figures are falling faster.

"Even though they can afford to buy, they want to wait," said Soon Su Lin, an executive director at CB Richard Ellis property firm.

Owning private property has been considered a symbol of affluence in the city-state where 85 per cent of the population live in apartments built by the government.

Spiralling prices in the buoyant mid-1990s sent buyers rushing out in droves to make down payments on homes, forcing the government to introduce measures to weed out the speculators.

But when the government last month released figures showing 10.4 per cent economic growth in the third quarter, and full-year projections were revised to 9.5 per cent, it caused barely a ripple in the property market.

Emirates cuts inflight fax, phone rates in Ramadan

Emirates is introducing special rates for its inflight satellite telephone and fax services during Ramadan, Eid and Christmas, says a press release.

Throughout December, passengers can call their family, friends and business colleagues, or send them a fax, for the price of just US$3 per minute – 40 per cent cheaper than the normal rate of US$5.

Don Foster, Emirates' Director-Service Delivery, said: "We know that many of our customers will be travelling to spend the festive season with their loved ones and this is a great opportunity for them to keep in contact as they fly.

Emirates is the largest user of satellite telephony services, of any airline in the world, with approximately 3,500 callers per month. It is also the cheapest satellite telephone service," offering the non-profit-making facility as a service to customers.

Passengers can use the telephone with all major credit cards or can purchase an Emtel prepaid calling card on board, with two, four or eight minutes call time. Faxes can also be sent from the aircraft's central fax machine.

BB T-bill auction held

The 117th auction of the 28-day, 91-day, 182-day, 364-day, 2-year and 5-year treasury bills were held here yesterday, says UNB.

Tk 1489 crore, Tk 5 crore and Tk 13 crore were offered respectively for the 28-day, 364-day and 2-year bills in the auction.

However, a total of Tk 1332 crore including Tk 1324 crore, Tk 5 crore and Tk 3 crore of 28-day, 364-day and 2-year bills respectively were accepted.

No bids were offered for the 91-day, 182-day and 5 year bills.

Iraq to boycott sellers of oil to 'hostile states'

BAGHDAD, Dec 3: Iraq said yesterday it planned to boycott companies and countries that sold its crude oil to states it regards as hostile, reports Reuters.

The Iraqi News Agency (INA) quoted a statement issued following a cabinet meeting chaired by President Saddam Hussein as saying the cabinet had taken this decision and referred it to the Revolutionary Command Council for approval.

Although the statement did not name countries Baghdad considered hostile, it was clearly referring mainly to the United States, which led the 1991 Gulf War against Iraq.

The United States and Britain also launched four days of extensive air raids against Iraq in 1998 and their warplanes currently enforce no-fly zones in northern and southern Iraq.

It was not immediately clear how much a boycott would work.

But Iraqi oil exports halted on Friday after Baghdad insisted buyers of its crude pay a surcharge outside the terms of the UN oil-for-food programme.

'Iraq free to set its oil price'

An AFP report says: Iraq is free to set the price of its own oil, Deputy Prime Minister Tareq Aziz said today after Baghdad halted crude exports in a pricing row with the United Nations.

OPEC yet to react to export halt

Another report from Oaxaca, Mexico says: OPEC President Ali Rodriguez said yesterday the oil cartel was not planning any immediate reaction to Iraq's decision to halt crude exports, and any action would depend on the impact on the markets.

Rebound IT.Com Limited recently agreed to provide technical assistance and training to IT Village Ltd to set up a medical transcription facility. In this regard, an MOU was signed on Friday. Waker Ahsan Khan, Chairman, Major Nizam Uddin (retd), Managing Director, and Pratim Karim, Director, attended the ceremony on behalf of Rebound IT.Com Ltd while Gazi Aminul Hoque, Managing Director represented IT Village Ltd. – Rebound IT.Com photo

ROK parliament okays plan to spend more on restructuring

SEOUL, Dec 3: South Korea's parliament approved a government plan to spend billions of dollars to help clean up debt-ridden banks, state Yonhap news agency reported Sunday, says AP.

After a series of marathon meetings between ruling and opposition legislators, the National Assembly passed a bill Saturday to raise 40 trillion won ($ 36 billion) in public funds, it said.

The move is expected to boost the government's efforts to restructure its shaky banking industry and restore foreign investors' confidence in the slowing economy.

President Kim Dae-jung has been urging quick parliamentary approval for raising the funds by issuing state bonds and then investing the money in the country's overstretched banks.

Concern about the economy has spread in the past weeks as three major South Korean businesses — Daewoo Motor, Hyundai Engineering & Construction and Hyundai Electronics Industries — were either declared bankrupt or admitted a serious debt problem.

IMF's ROK rescue programme ends as new turmoil looms

SEOUL, Dec 3: The International Monetary Fund (IMF) officially ended a three-year programme to rescue South Korea from the Asian crisis today, as new economic turmoil loomed for embattled President Kim Dae-Jung, reports AFP.

The 58-billion-dollar IMF bailout helped South Korea post a 10.7 per cent gross domestic product growth in 1999, after a 5.7 per cent contraction in 1998.

It also brought an enormous macroeconomic change, with the Daewoo Group and other lumbering conglomerates broken up under Kim's bold reform crusade.

But analysts are pessimistic, warning South Korea is heading for a new economic storm due to shaky reforms.

"We cannot underestimate the IMF's positive role. But the programme was defective as a whole as it did not consider our peculiar culture," said Lee In-Sil, an analyst at the Korea Economic Research Institute.

"The crisis is not over. We may have a more difficult situation next year," she said, pointing to huge bank debts, low corporate profitability, turbulent financial markets and militant unions.

Hundreds of weak financial institutions have been forced out of business in the past three years. But Lee blamed "government complacency and stop-gap measures" for delaying reforms and boosting public grievances this year.

David Coe, head of the IMF office in Seoul, conceded in a seminar Friday that the country still has a long way to go before completing financial reforms.

He urged the government to take quick steps in removing weak companies from the market, instead of rolling over their overdue debts.

Criticism has grown with the won depreciating sharply, share prices tumbling and many firms still highly leveraged.

Kim also faces a concerted media campaign with nearly all newspapers criticising what they have called inconsistent government policies.

"With reforms growing dull, government loses public confidence," the pro-government Hankyoreh newspaper said last week in a front-page headline.

Taiwan for unified efforts to stabilise Asian currencies

TAIPEI, Dec 3: Taiwan's central bank has said it is not going to engage in a regional currency depreciation race, calling instead for unified efforts to stabilise Asian units, it was reported today, says AFP.

"The central bank always thinks the value of currency should be decided by the market force," Chou A-ting, the head of the bank's foreign exchange department, was quoted by the Economic Daily News as saying.

"Currency must not be used as an instrument of government policies," he said, referring to the official manipulation of rates in some countries in order to stimulate exports.

The continued depreciation by Asian currencies has sparked concern in Washington, Chou said, adding that a top US treasury department official is scheduled to visit Asia this week.

The US official, who Chou refused to name, is to visit Seoul and Tokyo before flying to Taipei and South Asia to investigate the reasons for the weakening currencies, he said.

The Korean won closed at 1,214.3 to the dollar on Thursday, its lowest level since October 1, 1999.

Chou said he hoped the visitor would convey the message "that central banks in Southeast Asian countries should work together to maintain the stability of Asian units."

In a veiled warning to local currency speculators, Chou forecast the greenback would soften in line with a slowdown of the US economy.

The Taiwan dollar fell to its lowest level in 19 months Thursday on the back of a weakening South Korean won and a strong US dollar before rising to 32.995 Saturday.

Amid political uncertainty and stock volatility, Taiwan's foreign currency deposits in October hit a record high.