

## Expats remit Tk 6.33cr in December

The eschequer received remittances amounting to Tk 6.33 crore from expatriate Bangladeshis living in different parts of the world in December, says UNB.

An official release said yesterday, the amount, equivalent to pound sterling 448,403 and US \$537,749, was received by 8,516 foreign money orders.

In the first half of the current fiscal till December, a total of Tk 31.68 crore has been received in remittances by money order from the expatriates.

The money was sent to concerned Bangladeshis residing living in different parts of the country.

## Living expenses slightly down in 2000

Increase in the rates of living cost and expenses for commodities slowed down in 2000 compared to 1999, a report said in the city Wednesday, reports BSS.

The report of the Consumers Association of Bangladesh (CAB) said that in 2000 the cost of living went up by 6.38 per cent against 6.42 per cent in 1999.

The price of commodities increased at the rate of 1.94 per cent in 2000, while it rose by 2.13 per cent in 1999, the report said.

Health, education and transportation-related costs have however, been excluded from this index.

Although the price of rice plummeted 7.57 per cent in 2000 due to bumper harvest, the living cost rose as a result of increasing prices of imported goods, state-owned services and house rent.

House rent increased 277.62 per cent in the last 11 years.

Unemployment rate was on the rise as many local industries and businesses are either getting sick or folding under the influence of free-market economy, the report observed.

## City Bank to introduce Money Multiplier Savings Scheme

The City Bank Limited is going to introduce Money Multiplier Savings Scheme from the beginning of the new year for the advantage of its clients, says a press release.

Cost of each unit of the project is Tk 25,000. If the client deposits a minimum amount of Tk 5,000 in the project then the bank will provide loan amounting to Tk 20,000 being four times of the deposited amount in favour of the client.

Savings certificate will be purchased by the said Tk 25,000 in the name of the client, which will bear lien with the bank. If the client dies normally during this project period then insured money is Tk 25,000 and if the client dies on accident then two times of the insured amount i.e. Tk 50,000 will be given to his/her nominee through the bank. Moreover all money of the paid instalments including profit will be returned after adjustment of bank loan interest etc.

Client will be required to pay monthly instalments of Tk 500 in case of 5 years term scheme and monthly instalment of Tk 375 for 8 years term scheme for each unit.

In order to implement this project an insurance agreement has been signed recently between The City Bank and the Delta Life Insurance Company. This agreement has been signed by Abbas Uddin Ahmed, Managing Director of The City Bank Limited and Das Deba Prasad, Managing Director of Delta Life Insurance Company, at the Board Room of the City Bank.

Uttara Bank posts Tk 104cr operating profit in 2000

Uttara Bank Limited has made a total operating profit of Tk 104.08 crore during the year 2000 which was Tk 55.03 crore in 1999, registering a growth of 86.89 per cent, says a press release.

The deposit of the bank stood at Tk 2598.32 crore in December 2000 which was Tk 2181.73 crore during the corresponding period of 1999, registering a growth of 19.06 per cent.

On the other hand, loans and advances stood at Tk 2234.11 crore in December 2000 against Tk 1851 crore during the corresponding period of 1999, registering a growth of 20.30 per cent.

The bank handled foreign trade to the tune of Tk 4816.29 crore against Tk 3415.05 crore in 1999. Progress in this sector is 41.03 per cent.

# Discriminatory govt policy taking toll on pvt sector jute mills

## BJMA AGM blasts bias towards BJMC mills

Star Business Report

Bangladesh Jute Mills Association (BJMA) has deplored the discriminatory government policy that is biased to the state-owned jute mills and forcing the private sector mills to close down.

In its annual general meeting (AGM) held on Sunday in the city, it said that only 15 BJMA mills out of 42 are partially in operation due to the government's bias to the state-owned jute mills run by Bangladesh Jute Mills Corporation (BJMC).

"Since 1998-1999, the government has provided over Tk 400 crore to BJMC mills through budget provisions, whereas there has been no such financial assistance to the BJMA mills," says a press release of the Association.

"This is an act of discrimination and contrary to normal law field between BJMC and BJMA

created an uneven playing. The private sector mills has as much right as public sector mills for such financial assistance of the budget. Such a situation created by the present government has weakened the entire jute sector in the country and, as a result, the jute industries in India and Pakistan are thriving and Bangladesh jute mills are gradually closing down. The members of the Association opined that if the government does not abandon discriminatory policy the entire future of the jute industry will be jeopardized.

The BJMA member also expressed their surprise and disappointment that the assurance of the prime minister in the Export Council Meeting in March 2000 for reducing bank interest rate of this export sector at 10%, has not been implemented yet. This facility was

pledged to review the cost of production of the mills and to bring it in line with other export sectors.

"The present gap between the cost of production and export of sale price is 25%. The jute industry exports 90% of its production and 99% is exchange retention. In this situation, the government is paying only 10% export marketing assistance. This is causing erosion of the working capital, and as such, the mills are facing closure," the press release said.

The members were critical of the govt's attitude in solving the problems of the jute industry. The government is fully aware that the World Bank-sponsored Jute Sector Adjustment Credit (JSAC) has failed and jute mills continue to lose. But the Ministry of Finance, through banks, has been realising since July 1996 the loan provided to

mills under JSAC. Since the government needs to repay this loan to World Bank by the year 2034, the member mills called upon the Ministry of Finance to provide a moratorium for the repayment of the JSAC loan. No definite decision has been taken on this crucial matter till date.

In November 1996, the Export Council Meeting chaired by the prime minister decided to give 10% subsidy to yarn/twine exporters. Later, it was changed to only members of Bangladesh Jute Spinners' Association (BJSA), causing huge loss to the member mills who have been producing yarn since pre-liberation.

The World Bank acknowledges the fact that JSAC has failed and mills have not attained viability. So the World Bank would like to undertake a Revised Program to make the jute industry viable. The members were critical of the GOB being indifferent in the matter. The members at the AGM urged government to abandon the policy of discrimination between BJMC and BJMA and also to undertake immediately a Revised Jute Sector Program in cooperation with the World Bank to salvage the Bangladesh Jute Industry.



The new online service point for Ericsson mobile phones has been set up in Rajshahi recently. Engr. Anwar Hossain, General-Manager, Consumer Products, Ericsson Bangladesh, inaugurated the point at Cell Phone, Rajshahi. Among others, Khandaker Hafiz, Sales and Support Manager, and Mohammad Itefkar Ahmed, Technical Support Engineer of Ericsson Bangladesh. Kazi Roushon Ara, Director, Discovery Communications, GrammehPhone, and Cell Phone officials in Rajshahi were also present on the occasion. - Ericsson photo

## Incepta Pharma holds annual sales confce

The Annual Sales conference 2001 of Incepta Pharmaceuticals Ltd. was held at Dhaka Sheraton Hotel on Thursday, says a press release.

Managing Director of the company Abdul Muktafir, who attended the conference as the chief guest, gave an account of future direction and plan of the company.

In his speech, Muktafir called upon all working in the marketing strategy and the sales department to work with more dedication and utmost sincerity to make Incepta a successful medicine company at home and abroad.

He mentioned that Incepta Pharmaceuticals is dedicated to bringing new and advanced drugs at an affordable price for better health care of the people of this country and this newly established company has its state-of-the-art production facility at Savar. The company has already introduced some new products like Osartil, Omidon, Lamivir, Celesta, Rolenta, and Lozana for the first time ever in Bangladesh, Muktafir added.

Sales Manager Mollick Mahmood Hossain briefed the participants about achievements, progress and success of the newly established company.

## Chief of IFBPW meets president

Visiting President of International Federation of Business and Professional Women (IFBPW) Pat Harrison met President Justice Shahabuddin Ahmed at Bangabhaban yesterday, reports UNB.

She apprised the President of IFBPW's role and the movement of business and professional women in empowering women both at home and abroad.

Pat Harrison expressed her satisfaction over the efforts taken by Bangladesh for empowering women in various fields.

# Democrats warn Bush of hurdles to trade deals

## Trade representative to be picked soon

WASHINGTON, Jan 4 - Democrats warned Republican President-elect George W. Bush yesterday that a proposed free trade area of the Americas and other market-opening initiatives would stall in Congress if he refused to address their concerns about worker rights and the environment, reports Reuters.

On the first day of the 107th Congress, leaders of the pro-trade New Democrat Coalition, representing nearly 90 centrist lawmakers in the House of Representatives and the Senate, said they hoped to broker agreements with the Republican administration on trade policy as well as on tax cuts and education reform.

"There is a basis for common agreement," Sen Bob Graham, a

Florida Democrat, told a news conference.

But leaders of the group said clashes may be inevitable, particularly over the size of Bush's proposed tax cuts and Republican calls for private school vouchers. In efforts to reach common ground, there will be occasional battle grounds," said Rep. Tim Roiner, an Indiana Democrat.

Like Bush, the New Democrat Coalition said one of its top priorities was completion of the proposed Free Trade Area of the Americas (FTAA) and passage of other major market-opening initiatives, including trade deals with Jordan and Vietnam.

But they said these initiatives were threatened so long as Bush refused to address Democrats' demands that new trade

deals include standards protecting labour rights and the environment.

Another report says, President-elect George Bush hopes to unveil his choice for top US trade negotiator soon, but not necessarily this week, a spokeswoman for the Bush transition team said yesterday.

"We hope to have it shortly. I can't give an exact time frame," the spokeswoman said. Other Republican officials said an announcement might not come until next week.

With 14 Cabinet nominations out of the way, Bush can now turn to other high-profile administration positions, such as Ambassador to the United Nations and US trade representative.

# Euro strength, low inflation ease European rate hike pressure

FRANKFURT, Jan 4 - Surfing near six-month highs, the rebounding euro is combining with moderate inflation and continued growth to set a pace for placid interest rate policies this year in Europe, says AP.

Few economists expect the European Central Bank to increase its key interest rates Thursday when its governing council reassesses the economic developments in the 12 countries using Europe's common currency.

And many expect the next rate change will be a cut, rather than an increase - making it the first rate slash since the ECB began managing monetary policy in the region just over two years ago.

"I think they are really on hold, playing wait and see," said Stefan Schneider, chief Euro economist with Deutsche Bank in Frankfurt. "We are predicting no rate change for the whole of this year."

There would be a dramatic departure from the ECB's posture in 2000, when the Frankfurt-based central bank boosted rates six times to 4.75 per cent in an effort to keep inflation under a self-imposed 2 per cent ceiling.

But with forecasts now calling for inflation to fall quickly in the first half of this year as oil prices weaken, economists say there is no need for the ECB to keep hiking rates right now.

A resurgent euro is also easing the pressure for another rate increase.

After bottoming out below 83 cents to the US dollar in October, the common currency has steadily climbed into the 95 cent range.

Central banks sometimes boost interest rates to give their currency an upward nudge, but the euro's recent gains have made that unnecessary.

"Compared to a low of 82 cent, we can call it a final turnaround," Schneider said.

The euro is getting a boost by increasingly poor economic data from the United States that suggests the economic juggernaut is slowing down.

Whereas US economic growth far outpaced the euroizing countries in 2000, it is expected to dramatically slow down this year and stay neck-and-neck with European growth in the 2 per cent to 3 per cent range. That has investors returning to Europe, which is seen as a relatively safe investment.

But a US slowdown could still drag down the European economy, and that could motivate the ECB to cut rates later on in an attempt to make it cheaper for businesses to borrow the money and fund expansion. Some economists say that a one percentage point drop in US economic growth can knock down euro-area growth by up to a half-percentage point.

There won't be a decoupling from the US economy, the euro zone will suffer as well," said Thorsten Polleit, an economist with Barclays Capital. "It's clear that inflation rates will fall off the cliff soon, and if that is combined with lower growth, that will increase the pressure for rate cut."

Polleit expects inflation to begin slowing in May and predicted that the ECB will cut interest rates early in the third quarter.

Fear that last year's line up of interest rate increases is choking off economic growth led one of Germany's most influential think tanks, the DIW, to recommend Wednesday that the ECB quickly cut interest rates by a half-percentage point.



Rangs Group recently opened a showroom at Taltala, Sylhet. General Manager of Rangs Industries Lt Col (Retd) Mokhesur Rahman opened the new showroom. Tofazzal Hossain, DIG of Police (Sylhet Range), attended the ceremony as the special guest. Among others, owner of New Electronics Md Nadir Khan, Md Ziaur Rahman and other officials of the Rangs Group were present. - Rangs Group photo

# Schroeder 'too upbeat' on German economic outlook

BERLIN, Jan 4 - German economists told Chancellor Gerhard Schroeder yesterday he was being too upbeat on growth, amid mounting signs of a slowdown on both sides of the Atlantic and sharp falls on stock markets, says Reuters.

Schroeder said over the Christmas break he expected growth this year in line with last year's three per cent - the highest rate since the post-unionification boom of 1991.

That view was reaffirmed this week by Schroeder's new personal economic adviser, Bernd Pfaffenbach, who said Germany could achieve three per cent growth this year.

Not only is Schroeder more positive than his Finance Ministry, which forecasts 2001 growth at 2.75 per cent, but he is also running against the trend of downward revisions among leading economists.

The German Institute for Economic Research (DIW) became the latest think tank to trim its growth outlook, knocking a tenth of a per cent off its earlier view to project growth.

While the downward revision was modest DIW chief economist Gustav-Adolf Horn cautioned that it assumed an orderly slowdown in the United States after last year's fizzing growth - the so-called "soft landing" scenario.

"All the risks are on the downside," Horn told reporters, urging the European Central Bank to cut interest rates now by half a percentage point.

The new DIW forecast put it near the bottom of the range of Germany's six leading economic think tanks - and in line with the view of the Ifo institute, whose head Hans-Werner Sinn also called the government view too optimistic.



Picture shows the Annual Sales conference 2001 of Incepta Pharmaceuticals Ltd held at Dhaka Sheraton Hotel yesterday. - Incepta photo

## Government of the People's Republic of Bangladesh Local Government Engineering Department Office of the Executive Engineer Nishindara, Bogra

Memo No. LGED/XEN-B/RRMIMP-2/2000/7919 Dated: 18-12-2000  
Second Rural Roads and Markets Improvement and Maintenance Project (RRMIMP-2) (Rural Development Project Infrastructure in Greater Rajshahi, Bogra, Pabna & Dhaka Districts)

## Notice Inviting Tender-13/2000-2001

- The Government of the People's Republic of Bangladesh has received a credit from the International Development Association, hereinafter referred to as the IDA, towards the cost of the Second Rural Roads and Markets Improvement and Maintenance Project (RRMIMP-2) and intends to apply part of the funds to cover eligible payments under the following contracts.
- The Local Government Engineering Department (LGED), Government of the People's Republic of Bangladesh as represented by the Executive Engineer, LGED, Bogra district, invites sealed tenders from pre-qualified tenderers of RRMIMP-2 for furnishing the necessary labour, materials, equipment and services for the construction and completion of the following works.

| Contract No    | Name of the scheme   | Time for completion (Days) | Pre-qualification level (Road) | Price of Tender document (Tk) | Earnest Money (Tk) |
|----------------|--|----------------------------|--------------------------------|-------------------------------|--------------------|
| 1              | 2  | 3                          | 4                              | 5                             | 6                  |
| RP-296/2000-01 | Maintenance work of Shibgonj-Charbakra Road at ch. 0+900 to 1+500, 1+800 to 3+100, 5+800 to 7+500 & 14+800 to 15+000 km under Shibgonj Upazila, Bogra District | 75 days                    | Special A, B & C               | 1000.00                       | 41000.00           |

Interested prequalified tenderers may obtain further information from and inspect the Tender documents at the office of the Executive Engineer, LGED, Bogra and Joypurhat district, or at the office of the Project Director, RRMIMP-2, LGED Bhaban, 4th Floor, Agargaon, Sher-e-Bangla Nagar, Dhaka-1207 & at the Divisional Commissioner office, Rajshahi Division, Rajshahi.

A complete set of Tender documents for the contract may be purchased by any interested prequalified tenderer on the submission of a written application to one of the above officer and upon payment of a non-refundable fee that has been mentioned above. Additional sets of Tender documents may be purchased each at the same price. The Tender documents may be available during office hour up to 05-02-2001.

All tenders must be accompanied by above mentioned Earnest Money in the form of Bank Draft/Pay-Order/Call Deposit Demand Draft in Taka in favour of the Executive Engineer, LGED, Bogra district.

All tenders must be delivered to the Office of the Executive Engineer, LGED, Bogra & Joypurhat district or at the office of the Project Director, RRMIMP-2 & at the Divisional Commissioner office, Rajshahi Division, Rajshahi on or before 1.00 PM on 06-02-2001.

Tenders will be opened in the presence of those tenderers (his/her) representative who choose to attend at 1:30 PM on 06-02-2001 at the Office of the Executive Engineer, LGED, Bogra & Joypurhat district or at the office of the Project Director, RRMIMP-2 & at the Divisional Commissioner office, Rajshahi Division, Rajshahi.

No Tender document will be sold on the date of submission of tender.

The VAT, Income Tax etc will be deducted from the gross contract amount before the deduction of the price of salvaged materials, equipment & laboratory charges.

Tenderers may also submit tender by registered Mail with due Acknowledgement, which must reach the concerned office(s) before the deadline of receipt of Tender. Late received Tender will not be accepted.

The authority reserves the right to accept or reject any or all tenders without assigning any reason.

A pretender conference will be held in the office of the undersigned on 30-01-2001 at 10:00 AM. All tenderers are requested to attend the conference in time.

The quantity of salvaged material which are mentioned in the BOQ as fixed quantity with fixed amount and cannot be changed in any circumstances.

The pre-qualified contractors renewal for FY-2000-2001 under RRMIMP-2 are eligible to participate in the tender as per their pre-qualification capacity.

Md. Saidul Haque  
Executive Engineer  
Local Govt Engineering Department  
Bogra