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BTTB mobile phone to hurt foreign investors

GrameenPhone MD sees uneven competition

STAR BUSINESS REPORT

Managing Director of GrameenPhone Ola Ree has termed the Bangladesh Telegraph and Telephone Board's (BTTB) initiative to launch GSM mobile services with full access to fixed line operation 'a very unfriendly move against foreign and private investors.'

"Instead of improving the fixed line network including international lines, BTTB is planning to launch GSM mobile services. We regret that BTTB is still not supporting the mobile operators in getting interconnection to fixed phones," he told a group of newspaper editors at a local restaurant Monday.

Ola Ree said GrameenPhone is

'definitely not afraid of competition if it is an open and fair competition with the same obligations and conditions from the telecom authorities for all operators.'

GrameenPhone is ready to face any fair and open competition on a level playing field for all.

Referring to recent press reports, the GrameenPhone Managing Director said that it appeared that BTTB's mobile operations would be exempted from the obligations and conditions given to the private operators and its services would have full access to the fixed line operation.

Foreign investment environment, which has been quite satisfactory so far, will change if the

government starts competing with foreign investors on an uneven playing field, Ola Ree observed.

"I hope that the government really will take action and see that Bangladesh is following the same global rules for competition in the telecom sector," he said.

He mentioned that the number of GrameenPhone subscribers reached 200,000 on Sunday more than 170,000 GP-GP connections, tripling the figure in the year 2000. The company celebrated its 100,000 subscriber base in June last year.

GrameenPhone has so far invested US\$ 125 million and directly and indirectly contributed more than \$65 million to the government, he said and added that

the Board of Investment (BOI) recently approved a new GrameenPhone project to be implemented in the next three years.

"If we complete the approved project, GrameenPhone will have a total investment of \$ 590 million by the end 2003 and it will in fact be the largest private investor in the country," Ola Ree said.

"In our approved budget, we have planned to achieve for a good growth in 2001 too. But after witnessing the tremendous response to our last sales campaign, netting 50,000 subscribers in 20 days, we decided to revise the budget. The unmet demand for cell phones is still huge," he asserted.

Economic confce calls for SAARC satellite to attain higher bandwidth

M SHAMSUR RAHMAN,
Buck from Kathmandu

In a bid to reduce internet cost and attain higher bandwidth, South Asian business leaders at a conference recommended launching of a SAARC satellite.

Such a satellite will also help develop the overall communication system of the region, said SAARC Chamber of Commerce and Industry (SCCI) Vice-President Padma Jyoti while reading out the recommendations made at the SAARC Economic Cooperation Conference which ended on Sunday.

Under the present system, an

Internet user has to dial into the server of the internet service provider (ISP) and then he gets a satellite link for entering the internet - a process which is both slow due to low bandwidth and costly.

The meeting also recommended formation of separate departments or ministries on IT in the SAARC countries for the development of the sector and suggested deregulation of the telecommunication sector.

The conference had been divided into three sessions. The first session was on government-private sector partnership, the second session on WTO challenges and opportunities while the

third session focussed on Information Technology (IT) for economic development.

The third session was chaired by SCCI Executive Member MA Mumin.

The conference was attended by as many as 50 participants of seven SAARC member countries.

Giving an overview of the other sessions, SCCI Vice-President Padma Jyoti said there were suggestions for including the private sector in the upcoming WTO ministerial meetings to be held by the end of this year in Qatar.

He said some of the participants pointed out that there the SAARC countries had a poor representation in the WTO.

There were also suggestions for prior consultation with the business community of the respective SAARC member countries while negotiating SAFTA and SAFTA.

He said the conference also agreed that the government and the private sector should join hands for fostering economic growth.

The conference was attended by five Bangladeshi business leaders - Safulah Chowdhury representing the sewing thread manufacturing sector, Abdul Huq from the automobile sector, Sukumar Ranjan Ghosh of film sector and Abu Alam Chowdhury of handicrafts sector.

BB, BSB sign co-op deal on equity support

UNB, Dhaka

A cooperation agreement was signed between Bangladesh Bank and Bangladesh Shilpa Bank to provide equity-support to the software, food processing and agro-based industries.

Interested entrepreneurs would get financial support from the Equity and Entrepreneurship Fund (EEF) through BSB, said a press release Monday.

BSB advised the entrepreneurs to contract the loan section of its head office and district and regional offices.

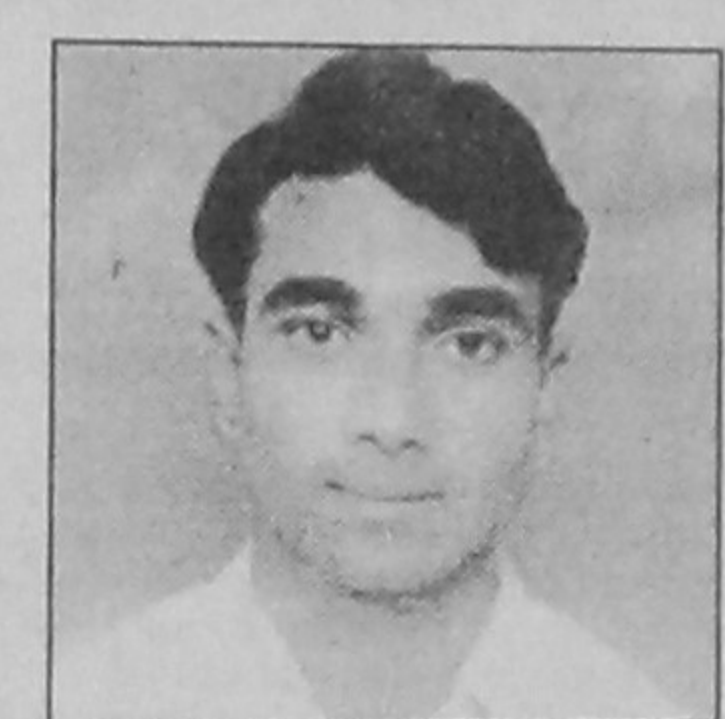
The central bank lowered the ceiling of the project cost and fixed it at Tk 1.5 crore to qualify for the fund.

Earlier, the central bank signed same agreements with another state-run development finance institution BSRs and Dutch Bangla Bank.



Finance Minister Shah AMS Kibria addresses as chief guest the 33rd annual conference of general and regional managers of Bangladesh Krishi Bank at a local hotel yesterday. Murshid Kuli Khan, Managing Director of the bank, is also seen.

DU student wins first Pepsi Magic Crown car prize



Jahangir Alam, a student of Dhaka University, has won the first Pepsi Magic Crown car prize.

He got a Hyundai car as the first prize in this scheme, says a press release.

On January 27, this student of BBA(H), was immensely thrilled and surprised to find the crown of his Pepsi bottle bearing the prize mark (a new 1300cc Hyundai Accent A/C car) just as he was about to drink. This prize would very soon be presented to Jahangir at an impressive 'Award Giving' ceremony.

Pepsi Magic Crown means a guaranteed prize, because with every 250 ml Pepsi, 7-up and Mirinda, you are assured of a prize - a car, an airline ticket, motorcycle, colour TV, iron or at least a lozenge. This is a very exciting and the latest offer from the global soft drink Mega brand Pepsi, titled Pepsi Magic Crown.

Finance agro-based industries to develop new export line

Kibria asks BKB at its managers' confce

UNB, Dhaka

Finance Minister Shah AMS Kibria has said hard-earned political stability should be kept on track to avert destruction of economic dynamism.

"Everything will be destroyed if the dynamism is obstructed... a group of people is out to create unstable situation," he said inaugurating a regional managers' conference of Bangladesh Krishi Bank (BKB) at Hotel Purbani yesterday.

Additional Secretary (Banking) Dr Shoaib Ahmed and BKB Managing Director Murshid Kuli Khan also addressed the function which was chaired by BKB chairman Dr Mirza Abdul Jalil.

Giving a positive picture of the country's economic indicators, Kibria said striking in the economic growth has become a frequent event now.

"It's a misery for the country that killing incidents are being supported politically through

calling hartal," he said.

About economic progress, the finance minister said bumper production in agriculture was the outcome of the government's timely measures supplemented by the role of BKB.

Revenue earning increased 11 per cent in first seven months of the current fiscal compared to same period of last fiscal, he told the function.

Kibria asked the bank authority to finance agro-based industries for developing new line of exports. "We identified agri-sector as a growth sector," he said calling upon the bankers to contribute to diversifying products of the sector.

He advised the bank authority to engage experts and economists to bring out diversified products, specially handloom products, fisheries and vegetables.

"We achieved success in producing rice and wheat in last few years," he said adding that diversified cultivation of vegetables and fisheries would be more profitable

as there is an unmet demand for these products.

The minister advised the bankers to follow simple rules in allocating agricultural loans that would reduce corruption. He called upon the bankers to refrain from corrupt practices to uphold the fame they earned in last few years.

He also advised them to consider providing loans to the sharecroppers.

Bangladesh Krishi Bank disbursed loans of Tk 94 crore in first seven months of the current fiscal, which is 61 per cent of the target of Tk 1,539 crore. The disbursement is Tk 158 crore more than the same period of last fiscal, BKB sources said.

Meanwhile, the bank realised outstanding loans of Tk 915 crore during July-January period of the current fiscal, which is 65 per cent of the recovery target of Tk 1,400 crore. The recovery also increased by Tk 84 crore from last fiscal's recovery.

MIDAS training for ex-child workers' parents ends

The third 8-day entrepreneurship training for the parents of ex-child workers of garments industry has ended at the head office of MIDAS recently, says a press release.

Sponsored by ILO, the training was conducted by MIDAS aiming to develop family based micro-enterprises by the adult family members of the ex-child labourers as part of an action programme to protect working children and eliminate child labour.

Bazlur Rahman Khan, Deputy Managing Director of MIDAS.

It was attended by Md Golam Sarwar Bhuiyan, General Manager (Programmes), MIDAS, Mohammad Alauddin, Assistant General Manager of MIDAS and Tarik Morshed, AVP of Social Investment Bank.

The "Italian Social Partners' Initiative" is sponsoring the programme through ILO, Dhaka, under International Programme on the Elimination of Child Labour (IPEC) which makes a comprehensive approach towards removing child labour from employment in garment industries in Bangladesh.

Strong euro area growth vital for world economy: IMF

REUTERS, Washington

The International Monetary Fund said in a new report that it is vital for the global economy that the euro area continues to grow strongly in the face of weakening growth in the United States and elsewhere.

In a report released on Friday, the Washington-based lender said growth in the euro area likely reached 3.5 per cent in 2000 with unemployment falling a full percentage point to 9 per cent. But it cautioned that reforms need to be accelerated in labour and financial markets to boost medium-term prospects.

"The task ahead is to maintain the area's strong economic performance amidst changing circumstances," the report said.

"While this is of course vital to the euro area itself, it is also central to the international community which looks to the euro area to help sustain global growth in the context of weakening growth elsewhere.

In recent years the United States, which has enjoyed a record expansion of almost a decade, has been the engine of global growth. But with the US economy now slowing so quickly that a recession is a possibility and Japan showing renewed weakness, most economists view European growth as essential to boost global growth prospects.

The IMF staff report, part of the lenders' annual review of the euro bloc, praised the area for averting growth in domestic demand of about 3 per cent annually since 1997.

"Basically, improved macro-economic fundamentals, especially sustained wage moderation, and supportive policies have fostered a favorable investment climate and steady employment creation, laying the basis for the virtuous growth circle that is needed to roll back unemployment," the report said.

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Iranian-made first passenger plane ready to fly

AFP, Tehran

Iran's first-ever domestically made passenger plane, built with technical assistance from the Ukraine, will make its first test flight this week to mark the anniversary of Iran's 1979 Islamic revolution, press reports said Tuesday.

Ukrainian Prime Minister Viktor Yushenko, expected to arrive in Tehran later Tuesday, will be among the guests invited to witness the first flight Wednesday of the medium-haul Antonov AN-140 plane (Iran-140), the English-language Iran News said, citing Mohammad Islami, head of the Iran Aircraft Industries Co.

Iran-140 was built by a branch of the Iranian defense ministry in Shahin-Shahr, close to the central city of Isfahan. It has a range of 2,000 kilometers (1,200 miles) and can carry 52 passengers.

Iran and the Ukraine signed a contract in 1993 for the construction of 43 planes, each of which

China closing down online 'clinics'

AFP, Beijing

China is closing down online 'clinics' as it moves to tighten controls over medical information and products on the Internet, state media reported on Tuesday.

JBC MD made ME chief of Institute of Marine Engrs, London

NW Khandakar, Managing Director of Jiban Bima Corporation, was elected President of Mid East Division of the Institute of Marine Engineers, London for next 3 years at a council meeting held in Colombo recently, says a press release.

The Institute of Marine Engineers, London represents 17000 marine engineers of 81 countries.

Khandakar, a professional Marine Engineer, was the MD of Bangladesh Shipping Corporation, Chairman of TCB and Chief Controller of Import & Export prior to his present job.



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S Arabia says oil price reasonable

REUTERS, Oslo

Saudi Arabian Oil Minister Ali al-Naimi said yesterday that oil prices were reasonable at current levels around \$25 a barrel and saw no need for further output cuts.

Meanwhile, non-OPEC members Norway and Mexico reiterated that they wanted close ties in OPEC while also maintaining good links to consuming nations like the United States.

"The market is at a reasonable price level today and there is no need to take additional movements," Naimi said after talks in Oslo with Norwegian oil and Energy Minister Olav Akselsen and Mexican Energy Minister Ernesto Martens.

"We need to focus on where the price is... looking for a price of \$25 a barrel," he said.

Martens also said, "Right now we find an excellent balance between supply and demand."

Mexico and Norway are among the top non-OPEC exporters and both cut output to help OPEC when prices tumbled to below \$10 a barrel in 1998.

IPE Brent crude oil futures dipped on Naimi's remarks to a session low of \$28.45 a barrel. It was later trading 62 cents down from Friday at \$28.57.

OPEC cut output by 1.5 million barrels per day last month to help keep prices in a \$22-28 a barrel band. The price of OPEC's basket of crudes was at \$26.58 a barrel on Friday.

Martens said he wanted to keep close ties to OPEC despite suggestions that Mexican President Vicente Fox preferred to improve relations with the United States, its top trade partner.

"We have so far always looked at decisions made by OPEC and, based on their analysis of our country, made a decision," he said.

After OPEC cut output last

month, Mexico said it would fix oil exports at 1.75 million barrels per day from February 1.

The move is below the 1.825 million set in the 2001 budget but up from 1.69 million average between July and November 2000.

Norway has said it would not restrain its 3.2 million bpd output, reckoning prices were high enough.

Martens said he spoke by telephone to new US Energy Secretary Spencer Abraham but not elaborate on the discussion.

He said that California's power crisis, bringing blackouts and high prices, were an example of markets gone wrong.

"I believe in working out a proper form for supply and demand, at the right pricing, is the best in the whole world for consumers and for producers," Martens said.

Akselsen said "I think it is very important for Norway to be in

close contact with other big oil producing countries, both in or outside OPEC.

He said there were good relations between Norway and oil producers, but added, "...the other hand, it is important to be friends with and have close contacts with, the big importers and consuming countries," he said.

Meanwhile another report from London says, oil prices had been hovering near 10-week high earlier, retaining most of last week's steep gains that stunned traders who saw little fundamental reason for the rally.

Traders, meanwhile, are still spooked by a gloomy economic outlook in the United States, the world's biggest fuel consumer, and what that might mean for oil demand.

But bullish traders point to a five per cent cut to global supplies by OPEC and erratic crude exports from Iraq as supportive for the market.

Bangladesh Jute Mills Corporation

International Tender Notice

The General Manager, Star Jute Mills Limited, Chandanimahal, Khulna, Bangladesh invites sealed tender for the following items under 23rd Japany Debt Relief Grant (1st Tranche)/cash foreign exchange

Sl No	Tender no. & date	Description of materials	Price of tender documents (non-refundable)	Earnest money Bank Draft/Pay Order (refundable)	Date of opening	Source of finance
1.	Star/PD/JDRG/Cash/2000-2001/04 dated 17-01-2001.	TCM Brand Fork Lifter.	Tk. 310/=	At the rate of 1% of the quoted value but not less than Tk 1000/= and quoted value above Tk 10,00,000 lac Earnest money must be Tk 15,000.00.	12-03-2001.	23 rd Japanese Debt Relief Grant (1 st Tranche)/Cash Foreign Exchange.

Tender will be received up to 11.00 AM on the date mentioned above and will be opened at 11.30 AM on the same day in presence of the tenderer, if any. Tender should accompany earnest money at stated above in the form of Bank Draft/Pay Order favouring Star Jute Mills Ltd, Chandanimahal, Khulna. Otherwise the quotation will not be accepted.

The tender documents with full details of requirements, specification, terms and conditions will be available from (1) The General Manager (Finance), BJMC, Dhaka, (2) The Dy. General Manager (A&F), BJMC, CZ, Chittagong, (2) The Dy. General Manager (A&F), BJMC, KZ, Khulna and (4) The Manager (A&F), Star Jute Mills Ltd, Chandanimahal, Khulna.

The management reserves the right to accept or reject any or all quotations without assigning any reason whatsoever.

BJMC-48 dt 23.1.2001
DFP-2227-25/1
G-267