

DAEWOO
ELECTRONICS

23" Colour TV with
8 Picture in Picture &
Nicom Stereo Sound
Also Available 14", 20", 21"

TRINCO LIMITED - Authorized Distributor of DAEWOO Electronics
Dhaka: 8115307-10 CTG: 716553, 723576 Khulna: 720304 Bogra: 6215

Star BUSINESS

DHAKA MONDAY MAY 21, 2001

Let us finance the home of your dreams

We can help you

- Build your own home
- Purchase a home or an apartment
- Buy a housing plot in approved land developments
- Reinvest or extend your existing home

National Housing LENDER

Chamber Building (6th floor), 122-124 Motilal, Dhaka-1000. Tel: 955 9111, 9111 101122
Mobile: 017 68282, 017 68283, 019 557434 Fax: 880-2956997 E-mail: housing@nhdh.com

Canada eases ban on EU meat, livestock

AP, Ottawa

Canada has relaxed restrictions on EU imports due to foot and mouth disease, but will continue to lay out the disinfectant welcome mat for international travelers arriving on Canadian soil.

The Canadian Food Inspection Agency on Friday lifted the ban on imports of animals and food products from European Union countries that have not had any cases of foot and mouth disease.

However, because travelers often visit several countries, the agency will continue safety measures put in place at all international airports in Canada, including disinfectant footbaths and a detector dog for all international travelers.

"We should not get complacent, ever," Frederique Moulin, veterinarian and national manager at the agency, said Saturday.

Fears the highly contagious disease could infect Canada's large cattle herd prompted Ottawa to ban EU imports of animals and animal products. Canada's last case of foot and mouth was in 1952.

All passengers arriving from Europe have to walk through disinfectant mats, while detector dogs prowl through luggage for possible contaminated material.

Warning posters and in-flight videos remind passengers arriving from abroad to abide by the restrictions.

The temporary suspension on imports, put in place March 13, was lifted Friday from the following countries: Austria, Belgium, Denmark, Italy, Finland, Germany, Spain, Sweden, Portugal and Luxembourg.

The import ban will continue to apply to Britain, Netherlands, Greece, France and Ireland, which have had confirmed cases of the disease.

Foot-and-mouth disease rarely infects humans and is not fatal to animals, but its presence has devastated Britain's livestock exports.

Infected animals develop blister-like sores on the tongue and lips, in the mouth, on the teats and between the hooves.



New EVP of Trust Bank

Mohammad Ehsanul Haque has recently joined the Trust Bank Ltd as its Executive Vice President, says a press release.

Prior to his joining the Trust Bank, Haque was Chief Operating Officer of GSP Finance Company (Bangladesh) Ltd.

On completion of his post-graduate degree in economics, Haque joined Grindlays Bank as a Management Trainee in 1980, and held various senior positions there. During his career with ANZ Grindlays Bank, Haque was posted for three years in India. He has also worked in ANZ Bank in Vietnam.

A widely-traveled banker, Haque received training in various aspects of banking operations, systems, systems & leadership in India and Australia while in ANZ Bank.

Casio to boost watch output in China, Thailand

AFP, Tokyo

Japanese electronics company Casio Computer Co. Ltd. will boost watch production in China and Thailand, but cut output in Malaysia, the Nihon Keizai Shimbun said Sunday.

Casio plans to raise watch production by 70 per cent to six million units for the year to March 2002 at its plant in Shaoguan in northern Guangdong, the business daily said.

The Japanese company will double watch production to 4.8 million units a year in Thailand, but cut production by 40 per cent in Malaysia, the newspaper said.

The moves are part of Casio's reorganisation of production in Asia with a plan to boost its worldwide output by 10 per cent to 40 million units for the current fiscal year.

Ashuganj-Habiganj pipeline delay costs country Tk 25cr a month

MONJUR MAHMUD,
back from Ashuganj

The country has been incurring a loss of around Tk 25 crore in foreign exchange every month due to the delay in implementation of a top priority gas pipeline project.

According to sources, the Ashuganj-Habiganj gas pipeline still remains incomplete due to fund constraints and the project is at least two years behind schedule.

In absence of the pipeline, the government now has to buy costly gas from Sangu gas field of Shell instead of low-priced gas from Petrobangla fields.

A local company Summit Pipeco Limited and a Chinese company Daqing Petroleum Technology Import and Export Corporation are jointly implementing the 54 kilometer and 30 inches Ashuganj-Habiganj project.

"Increased demand has forced the government to purchase 185-

190 mmcf of gas at the rate between \$2.8 and \$2.9 per unit from Sangu," said a top official of the Gas Transmission Company Limited (GTCL).

As per contract, the government is committed to buy only 140 mmcf of gas from Sangu in foreign currency.

"But had the Ashuganj-Habiganj transmission line been implemented earlier, the present demand could be met from the gas fields operated by the subsidiary

companies of Petrobangla," the official added.

The rate of gas from Petrobangla fields is \$1.2 per unit which is also payable in local currency, he stated.

At present, gas fields at Habiganj, Rashidpur, Jalalabad, Kailas-tala, Titas and Baniabazar can supply around 700 mmcf of gas to the national grid. But due to transmission constraints, only 420 mmcf of gas is now utilised.



Abbas Uddin Ahmed, Managing Director of The City Bank Limited, and Badrul Hasan Khan, Managing Director of Peer Services Limited, exchange documents after signing an agreement for recovering classified bank loans at the board room of the bank recently. Deputy Managing Directors of the bank Satya Gopal Podder, Md Habibur Rahman, A H M Nazmul Quadir, Director of Peer Services Limited Quazi M Kamal and other officers of the two organisations were present on the occasion.

Taiwan to cut GDP forecast further

AFP, Taipei

Taiwan's leading government budgeting body is expected to revise further downwards this year's economic growth forecast to below 4.75 per cent in the face of data showing a persistent slowdown, it was reported Sunday.

"The economic forecast for the first quarter would be lowered to around 3.0 per cent ... and the GDP forecast for the entire year could be lowered to below 4.75 per cent," an official from the Directorate General of Budget, Accounting and Statistics (DGBAS) was quoted as saying by the United Daily News.

The official said the new gross domestic product (GDP) growth forecast must be marked down as various signals suggested a persistent slowdown since February.

Falling share prices, contracting private sector consumption and declining private sector investment were held responsible for the worse-than-expected economic performance.

"Private sector consumption in February was previously predicted to increase by 4.71 per cent this year, but now it is almost certain the figure would be lower than the forecast level," the official said.

Private sector investment, which the DGBAS previously forecast to grow 4.4 per cent, fared worse.

"It would be a surprise if there is any positive growth," the official said.

The newspaper said official figures are due to be unveiled Friday after a DGBAS meeting.

In February the DGBAS cut the 2001 growth forecast by 0.78 percentage points to 5.25 per cent.

Government figures showed 1,341 plants closed down in March, a fourfold increase on the same month last year.

Australia vows tax-cutting budget

AFP, Sydney

Pensioners and self-funded retirees will be among the principal beneficiaries of a tax-cutting Australian budget to be unveiled this week, Treasurer Peter Costello promised Sunday.

But he denied the sixth budget of an unpopular government languishing in the polls was aimed at helping restore its declining electoral fortunes as it seeks a third term at an election due by the end of the year.

"Building a strong Australia will help the government win the next election, but it's got to be consistent with our overall economic theme," Costello told Channel Nine's Sunday program.

The budget, to be delivered on Tuesday night, would mark out the government's third term agenda, he said.

He denied he was under pressure to deliver a budget to counter criticisms of him in a leaked internal memo written to Prime Minister John Howard by one of his closest political allies, Shane Stone.

Stone, president of the Liberal Party, senior partner to the National Party in Howard's conservative coalition, blamed Costello for a public perception of the government as "mean, out of touch and dysfunctional."

The memo warned that some of the party's most loyal supporters in middle Australia, such as self-funded retirees, believed Costello had set out to alienate them with measures such as a surcharge on superannuating for high-income earners.

"We don't frame budgets on the basis of memos," Costello said. "We frame budgets on what is required for Australia and its future."



A three-day workshop on "Team building & Leadership" participated by twenty-four members were held recently for the DHL staff at BCDM in Gazipur. Desmond Quiah (3rd from left), Country Manager of DHL Worldwide Express, Anselm Quiah (2nd from the right), Managing Director of Homebound Packers & Shippers Ltd, are seen with the best three performers of the workshop along with the coordinators of the programme.

ECNEC approves Tk 1449.93cr projects

BSS, Dhaka

The Executive Committee of National Economic Council (ECNEC) yesterday approved seven projects worth Tk 1449 crore 93 lakh and 44 thousand, including project assistance of Tk 209 crore 94 lakh and 94 thousand.

The approval was given at the 109th meeting of ECNEC held in NEC Conference Room at Sher-e-Bangla Nagar. Prime Minister and Chairperson of ECNEC Sheikh Hasina presided over the meeting.

The approved projects are: Re-examination project of rivers and canals (cluster projects), Rehabilitation project of Jessore-Khulna Drainage (Second term Amendment), Construction of cross-dam to protect the unions on the bank of Brahmaputra river

under sadar upazila of Mymensingh from food, Infrastructural project of rural development (development of roads, bridges and culverts and bazzars), Coordinated social development projects in Chittagong Hill Tracts-second phase (Amended), Construction of 132 KV transmission line from Haripur to Ulon and Research and development project to sustain the increase of food production.

Finance Minister Shah A M S Kibria, Education Minister A S H K Sadique, Food Minister Amir Hosain Amu, Industries Minister Tofail Ahmed, Agriculture Minister Motia Choudhury, Water Resources Minister Abdur Razzak and State Minister for Planning Dr Mohiuddin Khan Alamgir attended the meeting.

Two new brands launched Bengal Cosmetics holds show of its collection

STAR BUSINESS REPORT

Marking its fourth business anniversary, Bengal Cosmetics Ltd, the distributor of world-class perfumes and cosmetics, held an exhibition of its collection at Samarkand restaurant in the city on Saturday.

Starting with Pierre Cardin Beaute cosmetics brand in 1997, Bengal Cosmetics later introduced five more perfume brands - Givenchy, Paco Rabanne, Kenzo, Carolina Herrera and Nina Ricci - in the country. Two more brands, Paul Smith and Lolita Lempicka, were launched in the exhibition.

All these brands are now available at 31 outlets in Dhaka and one in Chittagong.

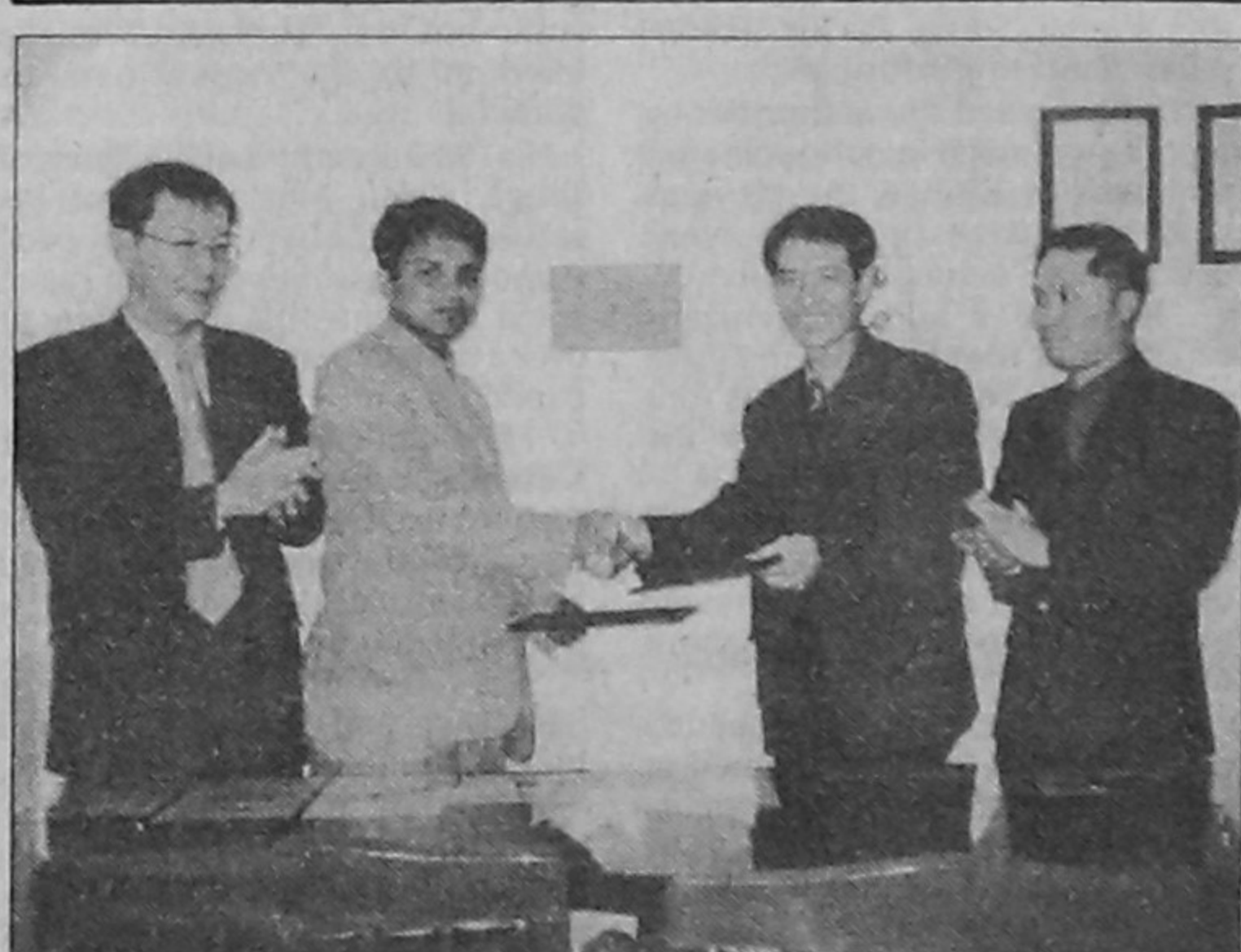
"Although these are world-

famous expensive brands, we offer them at 15 per cent cheaper rates than in Dubai, Singapore or at any duty-free shop worldwide," said Asif Moyeen, Director of the company.

After four years of its successful operation, Bengal Cosmetics now plans to introduce other famous brands in this country so that the consumers can get genuine cosmetics at cheaper rates, company officials said.

Bengal Cosmetics is also planning to set up its own outlet in the city, showcasing most of the famous brand names of the world under one roof.

The anniversary celebration was attended by diplomats, businesspeople, journalists and others.



DHBNet and ISDL (BD) recently signed a joint venture agreement on telecommunication in Seoul. Picture shows H J Kim, President of DHBNet, and M Shooeb Choudhury, President of ISDL, exchanging the documents after initialling the deal.

Putin's adviser criticises electricity monopoly reform

AFP, Moscow

Russian President Vladimir Putin's economic adviser has criticised plans to overhaul the country's giant electricity monopoly UES, a key plank in overall economic reform.

"The document adopted Saturday by the government only reflects the interests of a small minority, that of the UES management," Andrei Illarionov told RTR television.

The reform of the UES monopoly and its 80 regional subsidiaries, one of the government's major economic reform tasks this year, has provoked sharp conflict at the centre of power for the past

six months. A first plan, proposed by UES boss Anatoly Chubais and the economy ministry, was approved. But faced with violent criticism, the project was shelved.

Under the revised, watered-down plan approved Saturday, reform of the power giant would take place in three stages, over a period of eight to 10 years.

The approved text, though less radical still includes much of the original overall plan, according to analysts. It still needs to be finalised in the coming weeks.

The scheme still "scarcely reflects the proposals and opinions of the president," said Illarionov.

Phoenix Leasing declares 22 pc dividend

Phoenix Leasing Company Limited has declared a 22 per cent dividend for its shareholders for the year 2000.

The dividend was announced at the sixth annual general meeting of the company held its head office in the city on Saturday, says a press release.

The meeting was presided over by Deen Mohammad, Chairman of the company.

M. Yunus, Vice Chairman, Nasir Uddin Ahmed, Mazharul Haque, M A Majid, Rafiqul Islam Khan, Md. Shueb, Evana Fahmida Mohammad, directors, A Quadir Choudhury, Managing Director, Kazi Emdadul Haque, Company Secretary of Phoenix Leasing, and Harun-Ur-Rashid, FCA, auditor of the company, were also present.

Launch of euro notes, coins likely to tumble

AFP, Paris

Disgruntled French security van guards and bank tellers are threatening strike action that could seriously disrupt the launch of euro notes and coins on January 1, 2002.

Their unions complain of a lack of consultation with the government over handling the huge task of handling the changeover from national currencies to the euro.

France is producing 2.57 billion euro banknotes and 7.5 billion euro coins for the changeover, which officially takes place at midnight on December 31, according to the European Central Bank.

The authorities face an unprecedented logistical challenge in moving the new currency to banks and major retailers and security workers fear being asked to do extra time for little recompense.

Prime Minister Lionel Jospin announced May 11 that army troops, police and fleets of armoured trains and cars would protect the distribution of the billions of euro banknotes and coins.

"They will provide escorts for funds transport, the guard of regional currency centers, and security for 50,000 banks, and treasury or postal depots," Jospin said.

He warned that distribution delays would quickly undermine public and professional faith in the single currency.

But unions were angered by the prime minister's speech, which called for everyone to work together. They accused the government of having dictated its policy without negotiation.

The Confederation Francaise Democratique du Travail (CFDT) union representing security van drivers warned of "an explosion of industrial unrest" among employees.

China's WTO membership in limbo as ties with US tumble

AFP, Shanghai

When China signed bilateral WTO trade deals with the European Union and the United States last year, Beijing knew WTO membership would be painful and calculated the benefits outweighed the risks.

But with US-China relations in freefall, navigating China's domestic political waters has become ever more difficult for reformers pushing for swift membership of the World Trade Organisation.

"China's leaders remain committed to entering the WTO as soon as possible. The talks are stalled not over the terms of trade but because of renewed tension over Taiwan," said Andy Rothman, of Credit Lyonnais Securities Asia (CLSA) in a recent report.

Tensions in Sino-US relations began to spiral after a US spy plane collided with a Chinese fighter jet off the coast of southern China last month.

Relations have been soured further by US President George W. Bush's decision to sell Taiwan a major new arms package, as well as by Beijing's detention of several Chinese-American academics on spying charges.

Against this background the push for swift solutions to the stumbling blocks in WTO talks, chiefly China's demand to be allowed to give larger agricultural subsidies, has become clouded by larger political concerns.

The stalemate over farm subsidies centres on China's demand to be allowed subsidies of 10 per cent and be regarded as a developing country. Washington wants China to join as a developed country and commit to a five per cent ceiling.

China's agricultural subsidies currently hover at two per cent of agricultural production and are unlikely to rise higher, according to one Beijing-based Western government agricultural consultant.

"The argument is academic because China would be unlikely to raise subsidies anyway," he explained.

Nor could China afford to raise subsidies. In 1999, China spent 3.85 billion dollars on subsidies for grain and cotton, less than a quarter of the 16.9 billion dollars the US Department of Agriculture spent on farm support, according to the CLSA report.

For China, raising subsidies from the current level to the full developing country level would

cost 15 billion dollars annually -- an unlikely scenario," the report said.

So why is China fighting tooth and nail for the right to give higher subsidies?

Because domestic political concerns loom as large for Chinese trade negotiators as they do in the United States, and souring US-China relations make it even harder to reach a compromise.

"I don't think the biggest problem is agriculture. It's political. China has spent 16 years trying to get into the WTO and done a lot of work on opening up the agricultural sector," said Zhang Hanlin, professor at the WTO research centre at the trade ministry's university.

For the Chinese government, the welfare of the bulk of the population who live off the land is an explosive issue.

"A very sizeable portion of the population is connected to the land and if you were to destabilise that, it has got very serious political implications," said Bob Broadfoot, of the Hong Kong-based Political and Economic Risk Consultancy.

"There is just a huge concern about what will happen to these 900 million people," he added.