

## Bank Asia opens its second rural branch

Bank Asia Limited has opened its second rural branch at Tarail in Kishoreganj.

With this, the total number of branches of the bank stands at 10, says a press release.

The Education Minister Dr. M Osman Faruk inaugurated the branch at a ceremony held at Tarail upazila on Thursday.

M Syeduzzaman, chairman of Bank Asia, presided over the ceremony. Syed Anisul Huq, Managing Director, among others, spoke on the occasion. Apart from several members of the Board, the members of administration of Kishoreganj district and Tarail upazila, businessmen, traders, elite and a large number of people of the locality attended the function.

With a short span of time, the bank has been able to expand its activities significantly including acquisition of the Bangladesh operations of two foreign banks namely the Bank of Nova Scotia of Canada and the Muslim Commercial Bank of Pakistan.

## S'pore Airlines wins OAG Airline of the year 2002 award

ASIANET, London

Singapore Airlines has been named OAG Airline of the year 2002 at a function marking the 20th anniversary of the Awards.

The glittering ceremony on Tuesday was attended by HRH The Duke of York and senior figures from the aviation industry at Le Meridien Grosvenor House in London, UK.

It was a good year for the Asia Pacific region. Singapore Airlines led the field by winning four titles: Best Airline Based in Asia, Best Trans-Pacific Airline and Best Executive/Business Class as well as the sought-after Airline of the Year 2002 accolade which it last held in 1997.

Singapore's Changi Airport took the award for Best Airport for the seventh consecutive year, and Qantas Airways won Best Airline Based in Australasia/Pacific.

HRH The Duke of York attended as guest of honor in his capacity as Special Representative for British Trade International.

In a poignant speech, he paid tribute to the airline industry following the tragic events of 11 September.

Eddie Bell, Chairman of OAG said: "The OAG Airline of the Year Awards celebrate and publicly recognise the highest standards within the industry and all the nominees should feel exceptionally proud of their achievement, in what has been an extremely difficult year."

UK flag carrier British Airways left with a clutch of important awards, including Best Trans-Atlantic Airline, Best International First Class and Best Airline based in Western Europe.

## Microsoft Internet Explorer contains six flaws

AP, Seattle

Microsoft Corp. has warned that its Internet Explorer software contains six flaws, some of which could give hackers access to -- and even potentially change -- personal information about computer users.

The Redmond company, which called the severity of some of the flaws "critical," advised users of Explorer versions 5.01, 5.5 and 6.0 to download a patch for the software from the Microsoft Web site at [www.microsoft.com/security](http://www.microsoft.com/security).

The security bulletin issued late Wednesday marks the fourth time this year that Microsoft has issued a fix for Explorer.

Among other things, the flaws could allow hackers to view files on a user's computer hard drive.

Other flaws exploit vulnerabilities in Internet Explorer's "cross-site scripting" capabilities -- which allow script from one Web page to legitimately manipulate another -- and may permit the same access by a rogue site.

Another flaw attacks the software's handling of "cookies," which are data files deposited by Web sites that users frequent. The flaw may allow hackers to view and even change information on cookies.

However, those flaws could be exploited only if hackers had specific information regarding file names and locations, and files would need specific formatting for them to access the information, said Christopher Budd, security programme manager with the Microsoft Security Response Center.

Although the center is not aware of any direct problems that have resulted from the flaws, he urged users not to ignore the potential problems and to download the patch.

# Frozen food exporters seek bailout package

STAR BUSINESS REPORT

Down with sharp fall in prices in international market, frozen food exporters have sought bailout package, which will include interest waiver on loans and block account facility, to start afresh from the next fiscal.

Golam Mostofa, former president of Bangladesh Frozen Food Exporters Association (BFFEA), said though the government issued a circular on May 2 this year requesting banks to waive interest partially and provide block account facility, the measures entirely depend on the banks.

"We want a concrete decision from the government regarding the bailout measures", he added.

The exporters said they have

urged the government to take steps for providing the ailing frozen food units with the facilities so that the enterprises can enter the international market again.

The frozen food exporters do not want any cash incentive from the government, he said, mentioning that they sought minimum banking facility, which costs less than the government's incentive package.

The government has recently announced an incentive package for boosting the country's exports that also include 15 per cent cash incentive for the frozen food sector.

"The government will need over Tk 500 crore in three years if 60 per cent of the exporters get this opportunity but only Tk 109 crore would be required to provide the banking facility and most of the exporters

would be able to start export," Mostofa said.

Earlier, commerce ministry recommended that the finance ministry may waive interest partially and sanction a fresh loan of 30 to 40 per cent for the enterprises after transferring the same amount to block accounts.

Leaders of the BFFEA met the prime minister, finance and planning and commerce ministers to find ways for solving the problem.

During July-March period of the current financial year, frozen foods worth \$201.80 million were exported. The earning is a massive 28.82 cent fall from \$283.52 million export during last fiscal's corresponding period. In the last financial year, export earning from frozen food sector was \$363.23

million. According to industry sources, price of frozen food in the international market went down by more than 50 per cent in the recent economic tumble and 30 per cent only after the terrorist attacks on US on September 11, 2001.

"Prices of shrimps was around US\$ eight per pound before July, 2000 and then it started going down due to economic slowdown in some major markets and excess production in India, Vietnam and Indonesia, pulling down the prices at around five dollars. But after the attack prices further went down at \$3.5 to \$3.7," said an exporter.



PHOTO: NCC BANK

Standard Chartered Group's Global Markets has recognised NCC Bank Ltd for maintaining high professionalism in treasury operations over the years in Bangladesh and chosen the bank for Standard Chartered Excellence Award for having the "Best Dealing Room in the local market." Picture shows Anwar Ahmed, managing director of NCC Bank Ltd, receiving the award from Ahmed A Shah, head of Global Markets, Standard Chartered Group, Bangladesh. Also seen in the picture are senior executives of NCC Bank and Standard Chartered Group, Bangladesh including dealers of both the banks.

# WB okays ambitious Pak reforms

REUTERS, Islamabad

World Bank Chief James Wolfensohn Thursday stamped his seal of approval on ambitious economic reforms being undertaken by Pakistan's military-led government, but cautioned there was no room for complacency.

He said that unlike the cash-strapped country's previous civilian government, the regime of General Pervez Musharraf, who seized power in an October 1999 bloodless coup, was matching words with action.

"We believe this government is approaching the issue of the future of this country ... in the best way and

only way possible which is starting with structural reform," Wolfensohn told a news conference with Pakistan's Finance Minister Shaukat Aziz.

"I'm not a spokesman for the government. I think what they're doing is great but I'm not here to tout the government."

Shunned by the international community for staging his coup, Musharraf's standing was transformed when he joined the US war on terror after the September 11 attacks on the United States.

Wolfensohn's visit came soon after the World Bank-chaired Pakistan Development Forum -- a collection of bilateral and multilateral

donors -- met in Paris to review development priorities for the country and its financing needs.

Donors praised the Pakistani government for making progress in reviving its moribund economy, which is buried under around \$38 billion in foreign debt, but said the challenge was to deepen reform and hit harder at widespread corruption.

Wolfensohn arrived in Islamabad on Sunday for a five-day trip that also took him to the Afghan capital Kabul and Pakistan's famed Khyber Pass in the North West Frontier Province.

In Islamabad, he met Musharraf, Aziz and other cabinet members to discuss issues revolving around poverty alleviation and social sector

development.

He said Pakistan had been plagued with poverty and inequity since 1947 when former British India was partitioned to create the newly independent states of Pakistan and India.

Aziz said the Pakistan economy suffered due to the September 11 attacks, a tense military standoff with India and a global economic slowdown.

"Because we started reforms two years ago we were able to face those shocks," he said, noting successes in reining in inflation, keeping growth positive, boosting foreign exchange reserves to record levels and the rescheduling of foreign debt.

# First quarter Japanese GDP may have outpaced US growth

REUTERS, Tokyo

Japan's economic growth may have outpaced that of the United States in the first three months of the year, economists say, but they're holding the champagne.

After three quarters of contraction, initial rough projections are for GDP growth of even eight or nine per cent in January-March on an annualised real terms basis, driven by a big boost in exports to the United States and Asia.

The figures will be released on June 8, but already economists are talking about Japan outstripping the US growth rate of 5.8 per cent for the first quarter of the year.

But while the government of Prime Minister Junichiro Koizumi may be spared the humiliation of

presiding over a record fourth straight quarter of contraction, economists see slim chance that a V-shaped recovery could be sustained.

"It's just this one quarter. The question is what happens after that," said Mamoru Yamazaki, chief economist at Barclays Capital, whose rough estimates are for real two per cent growth quarter-on-quarter and eight per cent on an annualised basis.

"I don't think this is a sustainable rate. We could see a small double-dip recession," he said.

Yamazaki expects the economy to shrink in the following two quarters and for the entire fiscal year to March 2003.

Among the most bullish forecast-

ers is Daiwa Research Institute's Susumu Okano who sees a 2.4 per cent quarterly gain and 9.7 per cent annualised growth. But even he anticipates contraction again in the following three quarters.

Japan has been disappointed before by big GDP numbers.

In June 1999, a 7.9 per cent annualised gain in GDP for the first quarter of the year led to a big rally by the yen, which hit exporters. Stock prices also soared, but only briefly.

Economists say the risk of replay was strong, given that many of recent bright signs in the economy stem from a pickup in exports based on a global upturn and a weak yen.

The auto sector has been one of the main beneficiaries of a weaker

yen and resilient US consumer demand.

This week, Toyota Motor Corp, a big exporter, posted a current profit in excess of one trillion yen for the year to March -- the biggest current profit in Japanese history.

"The GDP recovery is very much export-driven," said Yasuaki Kudamatsu, senior economist at Tsunabara Research Institute.

"The US recovery has probably decelerated a little in the April-June quarter, and that means Japanese exports may not see the same rate of growth," he said.

Still, for January-March, Kudamatsu's initial number crunching has yielded a forecast for quarter-on-quarter growth of two per cent, or about eight per cent on an annualised basis.

# OECD blasts US protectionism

REUTERS, Paris

Washington got a blunt message from the rest of the world's wealthy nations over steel tariffs and farming subsidies Thursday do not resort to protectionism.

Trade and finance ministers of the other 29 countries in the Organisation for Economic Co-operation and Development took the United States to task during a two-day meeting at OECD headquarters in Paris.

"Grave concerns were expressed about a return to protectionism in the last few months," Guy Verhofstadt, Belgian prime minister and chairman of the OECD talks, said.

He blamed the tariffs on foreign

steel imports into the United States and recently announced plans for billions of dollars in subsidies to US crop and dairy farmers.

"The messages during the talks were very clear and those who needed to hear certainly heard," he said.

A communique issued in the OECD's name despite US objections, according to diplomats said all OECD members were committed to pledges made in Doha, Qatar, last year to pursue free trade and take account of developing countries.

"We welcome the launch of the Doha Development Agenda and reaffirm our pledge to reject the use of protectionism," it said.

The diplomats said US envoys

objected to a communique which would dub them as "protectionist" even if it did not mention the United States by name.

Deputy US Trade Representative Peter Algeier told a news conference after the OECD meeting that Washington was still committed to free trade.

"The United States reiterated our very strong unequivocal commitment to negotiate across the full range of topics in the Doha agenda, to meet the overall deadline of completing the negotiations by January of 2005 and to meet the intermediate deadlines such as we face in the coming months," he said.

Others showed little confidence. The 18-nation Cairns Group of

farming nations from Australia and Canada to Paraguay and the Philippines some of them not OECD members issued a statement in Paris of its own attacking Washington's farm aid.

"At \$180 billion over the next decade, the sheer size of this package will hurt farmers round the world," it said. "The impact will be particularly damaging on developing countries, net food exporters and importers alike."

The tension was palpable during the talks, with another member of the US delegation, Andrew Natsios of the US Agency for International Development, accusing the other leading trade bloc, the European Union, of hypocrisy.



PHOTO: BANKS ASIA

Education Minister M Osman Farruk speaks at Bank Asia's Tarail Branch opening ceremony at Tarail in Kishoregonj on Thursday. M Syeduzzaman, chairman, and Syed Anisul Huq, managing director of the bank, are also seen.

# Minister sees ICT as main future source of forex

Technohaven's ISO 9001 certification celebrated

STAR BUSINESS REPORT

Minister for Science and Information Communications Technology (ICT) Dr. Moin Khan has said ICT sector can emerge as the main source of our foreign currency within next five to ten years.

Referring to the sluggish performance of the country's RMG sector, the minister said the country has developed dependency on a single foreign exchange earning sector. "Had we realised the necessity of export diversification, we would not have missed the opportunity ten years back," Moin Khan said.

The minister was speaking at an ISO 9001 certification celebration dinner of a local IT company -- Technohaven Company Limited -- a leading software company of the

country. The company is the first software company in the country to receive ISO 9001 certification in March this year.

Dr Khan, however, said opportunity is still there to diversify the export basket through development of the IT industry.

He said that the government has a plan to set up an IT institute at Kaliakair for development of software, hardware and data management system. The ministry is also planning to establish an IT centre in Dhaka.

There should have quality training for the youths of the country also, the minister said. According to him, Bangladeshi youths have the talent but there is absence of opportunities.

"If we provide the youths with

opportunities within the next 12 to 18 months, there will be a dramatic improvement in this sector within the next few years," he said.

The celebration dinner was also addressed by Commerce Secretary Suhel Ahmed, Vice Chancellor of BRAC University Dr Jamilur Reza Chowdhury, Technohaven Chairman Saber Reza Karim and its MD Habibullah N Karim.

Speaking on the occasion, Habibullah N Karim said the company decided to give efforts for receiving the certification some two and half year back. According to him, all the products of Technohaven have got the ISO 9001 certification.

The Technohaven MD also informed the company has been giving its effort for achieving ACIMM level-three certification.

# India may finalise IPCL sale today

REUTERS, New Delhi

India is likely to wrap up the keenly awaited privatisation of Indian Petrochemicals Corporation Ltd (IPCL), the sector's second-largest company, on Saturday, a senior government official said.

In the race for IPCL are Indian Oil Corp, India's largest refiner which is controlled by the state, Reliance Industries, the No 1 petrochemicals maker, and Nirma, a detergents and chemicals maker. The government is selling a 26 per cent stake with management control.

"The meeting is expected to be held on Saturday before the prime minister leaves for a holiday," a Disinvestment Ministry official, who declined to be identified, said on Thursday.

Prime Minister Atal Behari Vajpayee, who heads the cabinet panel on privatisation, is expected to depart on May 20.

The sale, which would be the second big privatisation of the financial year to March 2003, is expected to help the cash-strapped government bridge a yawning fiscal deficit.

# Brazil to contest US cotton subsidy at WTO

REUTERS, Sao Paulo

Brazil will contest US cotton subsidies at the World Trade Organisation before the end of 2002, Brazil's Agriculture Ministry said Thursday.

The ministry's secretary of production and sales, Pedro de Camargo Neto, said the United States was violating the agricultural accord to the WTO, as he spoke before the Lower House's farm and trade committees.

"The North American farm policy is damaging to Brazilian cotton producers and it doesn't take many graphs to prove this," said Camargo.

The United States agreed, in the WTO accord, not to increase cotton subsidies beyond the \$1.7 billion it spent in 1993, but in 1999 subsidies topped \$2.3 billion, said Camargo. Subsidies are expected to reach \$2.6 billion this year.

For each dollar of cotton sold in the United States, the government provides \$1.50 in subsidies, which allows US cotton farmers to export at below production costs, he added.